

John Hooper

Tuesday October 8 1996

Abkhaz D 6.50	Greenland D 400	Norway NK 16
Albania L 250	Hong Kong HK\$ 25	Oman OR 1.00
Andorra FF 160	India IN 50	Pakistan R 70
Australia AU\$ 20	Iranian R 185	Poland Z 200
Azerbaijan AZ 100	Italy L 200	Portugal E 200
Bahrain B 100	Jordan J 25	Romania R 100
Bangladesh T 100	Kazakhstan K 150	Small Arab States 10
Belarus B 100	Kyrgyz K 150	South Africa R 100
Bulgaria B 100	Latvia L 200	Spain P 200
Canada C\$ 1.25	Lithuania L 200	Sweden S 200
Croatia K 100	Madagascar M 100	Switzerland SF 200
Cyprus C 100	Malawi M 100	Taiwan T 100
Czech Republic K 100	Maldives M 100	Turkey TL 100.00
Denmark D 16	Malta M 100	Ukraine U 200
Egypt E 100	Mexico M 100	USA US\$ 2.75
Estonia E 100	Netherlands G 400	
Finland F 100		
France FF 10		
Germany DM 3.50		

# The Guardian

INTERNATIONAL

NEWSPAPER OF THE YEAR

Printed in London, Manchester, Frankfurt and Roubaix

46.675

Bless the mall, bless them all

## Shop till you drop

G2 with European weather

John Hooper on a Venetian riddle

## Did the Mafia torch La Fenice?

Inside story pages 4/5

Education

## Reform and the lessons of history

G2 pages 10/11

# Bombs shatter truce in Ulster



David Sharrock in Lisburn

**T**WO large bombs detonated inside the army's headquarters in Northern Ireland yesterday, injuring 20 people. The blasts pointed to a full return to violence in the province, and a massive republican propaganda success on the eve of the Conservative Party conference.

The bombs — assumed to be the work of the IRA — exploded within 15 minutes of each other in Thiepval barracks at Lisburn, a largely Protestant town eight miles south of Belfast.

Questions were being asked last night about a hugely embarrassing security breach for the army. An army spokesman said: "There were two vehicle-borne explosions within Thiepval barracks. The first was in a car park close to the administration building manned mainly by civilian staff. The second appears to have been designed to catch casualties being taken to the medical centre which was badly damaged."

An eight-year-old girl was among the injured, five of whom were said to be serious. The bombs, with an estimated 250 to 500 kilos of explosives, were driven through the main entrance.

A nearby hospital neurology unit which looks after severely disabled adults was caught up in the blast.

The blasts were clearly heard at the Maze prison three miles away, where loyalist leaders met UDA and UFF prisoners.

They have withdrawn their support for the peace process and their UVF counterparts were expected to follow suit, although according to senior

sources this did not necessarily mean an immediate end to the loyalist ceasefire.

But a senior figure said last night that the first attack by republicans on a military target in Northern Ireland in more than two years would inevitably provoke retaliation. "IRA or whoever, it would be fantasy to think that they could or would be prepared to sit idly by," the source said.

The Prime Minister condemned the bombing as "wicked beyond belief" and "barbaric". The action in planting two bombs was "unspeakable... it is clearly a

very serious development." Mr Major said it was not yet known who was responsible for the attack, but added: "It is clear that it is a very serious development indeed."

"If anybody thinks, whether it is a splinter group or the Provisional IRA, that they can bomb the British government out of the policy stance they think is right for Northern Ireland they are making a very serious and fundamental mistake."

Labour leader Tony Blair described the bomb attack as "an act of appalling unpardonable terrorism", and Liberal

Democrat leader Paddy Ashdown said it was "a very grave day for Northern Ireland and the peace process."

David Trimble, leader of the Ulster Unionists, appealed to loyalist paramilitaries "not to join the IRA in their wickedness" saying that they had occupied the moral high ground by maintaining their own ceasefire.

He asked of the Prime Minister: "How much more evidence do you need that the IRA ceasefire is over, and how long will it be before there's an adequate security response?" Republicans are likely to view the strike as a

show of defiance after the security forces' recent successes against the IRA on the mainland.

Two weeks ago, the Metropolitan Police arrested five IRA suspects and shot dead one man in dawn raids in west London and West Sussex. Police also recovered a massive haul of arms — including 10 tonnes of home-made explosives — which they said would probably have been used within days in massive lorry bomb attacks on the capital.

Bombers return to old targets, page 4

## TORIES IN TURMOIL

# Hamilton must step down now, say voters

**Should the Conservative Party be allowed to have paid outside income in the parliamentary register?**

All voters	Yes	28	No	68
Tory voters	Yes	22	No	74

**Should the Conservative Party be allowed to have paid outside income in the parliamentary register?**

All voters	Agree	52	Disagree	43
Tory voters	Agree	48	Disagree	47

**Should it be a criminal offence if an MP does not disclose outside income in the parliamentary register?**

All voters	Yes	72	No	24
Tory voters	Yes	68	No	28

**Should political parties be obliged to disclose the source and size of all donations to political parties to be disclosed?**

All voters	Agree	58	Disagree	38
Tory voters	Agree	52	Disagree	43

**Should public money be used to finance political parties?**

All voters	Agree	32	No	65
Tory voters	Agree	28	No	68

**Has the handling of this crisis been too high, or should it be?**

All voters	Not high enough	52	High enough	43
Tory voters	Not high enough	48	High enough	47

**Have most voters been misled by the Conservative Party's handling of this crisis?**

All voters	Yes	68	No	28
Tory voters	Yes	62	No	32

**Should the Conservative Party be allowed to have paid outside income in the parliamentary register?**

All voters	Yes	28	No	68
Tory voters	Yes	22	No	74

**Should the Conservative Party be allowed to have paid outside income in the parliamentary register?**

All voters	Agree	52	Disagree	43
Tory voters	Agree	48	Disagree	47

**Should it be a criminal offence if an MP does not disclose outside income in the parliamentary register?**

All voters	Yes	72	No	24
Tory voters	Yes	68	No	28

**Should political parties be obliged to disclose the source and size of all donations to political parties to be disclosed?**

All voters	Agree	58	Disagree	38
Tory voters	Agree	52	Disagree	43

**Should public money be used to finance political parties?**

All voters	Agree	32	No	65
Tory voters	Agree	28	No	68

**Has the handling of this crisis been too high, or should it be?**

All voters	Not high enough	52	High enough	43
Tory voters	Not high enough	48	High enough	47

**Have most voters been misled by the Conservative Party's handling of this crisis?**

All voters	Yes	68	No	28
Tory voters	Yes	62	No	32

Martin Kettle

**N**EIL Hamilton, the Tory MP at the centre of the cash-for-questions row, should resign from Parliament, says a new Guardian/ICM opinion poll taken on the eve of this week's Conservative Party conference.

The results will embarrass Tory leaders facing a difficult week dealing with allegations of sleaze and divisions over Europe.

An overwhelming majority of voters believe it should be a criminal offence for MPs not to disclose their outside income on the parliamentary register.

The poll also shows Labour has increased its lead over the Conservatives for the second month running to 18 points on the adjusted figures, compared with 15 points in September.

John Major's handling of the sleaze crisis has not been tough enough, voters believe, and there is overwhelming public support for the source and size of all donations to political parties to be disclosed.

The mood among Conservative voters is almost as critical as the mood among the electorate as a whole, the poll reveals, leaving Mr Major with an uphill task as he tries to extricate his party from the sleaze allegations at Bournemouth this week.

In the poll, which was taken over the past weekend, voters were asked whether Mr Hamilton, the Conservative MP for Tatton, should stay or go. Nearly two thirds of all voters, 62 per cent, think he should resign, with only 22 per cent who think he should continue as an MP. A further 16 per cent were Don't Knows.

Even more damagingly for Mr Hamilton, a majority of Conservative voters, 48 per cent, believe he should quit, compared with



Tory chairman Dr Brian Mawhinney arrives at a conference terrace reception last night, watched by an armed policeman. PHOTOGRAPH: MARTIN ARGLES

## Redwood hesitates in backing Tories at polls

**M**ichael White, Political Editor

**T**HE Conservative Party was last night embroiled in a fresh eve-of-conference row over its stance on Europe, after the former leadership contender, John Redwood, apparently refused to endorse his own party in the forthcoming general election.

In an interview with BBC's Panorama, broadcast last night, Mr Redwood visibly hesitated when asked whether voters wanting a referendum on the single currency should vote Tory or for Sir James Goldsmith's maverick Referendum Party.

He then replied: "Well, I think you have to ask me that nearer the time, when we see what the manifestos are of the major parties and what the views of the different candidates are."

The remarks infuriated party loyalists and some Euro-sceptics, following the announcement on the same programme by the former party fundraiser, Lord McAlpine, that he had thrown his weight behind Sir James by agreeing to chair the Referendum Party's first conference.

Mr Redwood later protested that his comments had been

taken out of context, and stressed that throughout the interview he had insisted the only way to avoid a federal Europe was by voting Conservative.

John Major, arriving in Bournemouth for the conference, responded angrily when asked about Mr Redwood's stance. "John Redwood is a Conservative MP. He is making it clear he is working for a Conservative victory at the next election and that is perfectly clear."

When pressed on the programme as to why he had not simply said "vote Tory", Mr Redwood said: "Of course, I will answer 'Vote for the Conservative Party' but it would be easier to explain why when we have seen the manifestos and the dispositions of the candidates."

There was further confusion last night in Bournemouth over the resignation of James Cran, the Euro-sceptic MP for Beverley, as unpaid parliamentary private secretary to the Northern Ireland Secretary, Sir Patrick Mayhew. Some Tories claimed it was a protest over Mr Major's European policies. But officials were adamant that Mr Cran had signalled two months ago that he wished to spend more time nursing his constituency.

Europe remains the biggest

threat to Tory unity in the days ahead. Ardent Euro-sceptics, including the former Chancellor, Norman Lamont, will press their case for ruling out British membership of a single currency this side of 2002, convinced that, combined with tax cuts, it is an election winner.

Yesterday party officials found themselves forced to discuss whether activists should be expelled for "knocking on doors" for Sir James. It was a matter for local parties they said, after the party chairman, Dr Brian Mawhinney, had warned "an inclusive party, not an exclusive party."

Mr Redwood accused Panoramans of going on "a fishing expedition" during a long interview, and of not showing viewers the actual question he had been asked.

"My position is clear. I support Conservative candidates; I work tirelessly in the Conservative cause," he said in a statement.

Labour's chief whip, Donald Dewar, said it was "astounding" that a recent candidate for the Tory leadership "should display such disloyalty when asked a simple question". It showed how split the party was on Europe.



**"We saved £133 a month just by switching our mortgage. So could you!"**

and with:  
 ✓ FREE valuation  
 ✓ £400 cashback and  
 ✓ £315 towards legal fees...

switching your mortgage couldn't be easier! This great offer from a leading Lender is available exclusively through Mortgage Intelligence - Britain's largest independent mortgage brokers, with 400 offices across the UK. To contact your local independent mortgage broker, call FREE anytime on:

**0800-246-000**  
 • MORTGAGE •  
 INTELLIGENCE

Britain's Largest Independent Mortgage Brokers

<b>Inside</b>	<b>Britain</b>	<b>World News</b>	<b>Finance</b>	<b>Sport</b>	<b>Comment and Letters 8; Obituaries 10</b>
4	7	11	16	16	16





Laurie Briggs, aged 13, a talented golfer banned from a family tournament with his mother because he had been adopted as a baby, right



PHOTOGRAPH BY CHRIS LAURIES

# Golf rules handicap adopted son



Unfair ways at Surrey's Burhill golf club, but a member plays on with the row brewing in the clubhouse

PHOTOGRAPH BY GRAHAM TURNER

## Club bans mother and son from family contest

Sarah Boseley

IT IS hard to believe that even the boundaries that get their commencement in the pages of P.G. Wodehouse could have dreamed up such a wheeze. A mother and son have been banned from a family foursomes golf tournament in Surrey because the boy is adopted.

third round. Then somebody — he or she is lying low — complained that Laurie's origins were in breach of the rules. Mrs Briggs, who lives with her fellow champion golfer husband, also called Laurie, in Cheshire, received a letter from Dick Richards, the secretary of the Burhill golf club, near Walton on Thames.

adopted. On the entry form you will see that step-children are not permitted and it is my error that adopted children did not feature on the form: this will be corrected for next year. Mrs Briggs wrote to protest. In a further letter, the club captain replied: "Your deep disappointment touches me greatly but this event has always operated with the qualification that family pairs must be blood relations. I know that this can be hard to accept in circumstances such as yours."

seemed a little tense. "The secretary is away until Monday week," he repeated time and again. "Nobody else can comment." A large mahogany board bore the name of winners of the Family Foursome — a national competition for mother and son or husband and daughter pairs — since 1937. They were, down the ages — 1963, G.A. Rowan-Robinson and Miss Pooch Rowan-Robinson, last year Mrs G. Warner and R. Warner. Not an adopted or stepchild anywhere.

divided," he said. "I personally think, adopted or not, a son is a son. I think it is a lot of fuss, but I preface that by saying that I don't know the ruling on it. "My personal view, without knowledge of the rules, is that adopted offspring should be permitted, but whatever anyone says without knowledge of the rules is a personal view."

## Hamilton 'must resign'

continued from page 1 40 per cent who think he should stay. Mr Hamilton had a majority of 15,860 over Labour at the 1992 general election, but the loss of his seat would wipe out the Government's majority of one at Westminster.

Ministers can take some comfort, however, from the finding that the public believe MPs of all parties are being paid by lobbyists, and not Conservatives alone. Asked which groups of MPs they thought were mainly being paid by lobbyists, 67 per cent of respondents said MPs of all parties, compared with 23 per cent who said "mainly Conservative MPs" and 2 per cent who said "mainly Labour MPs".

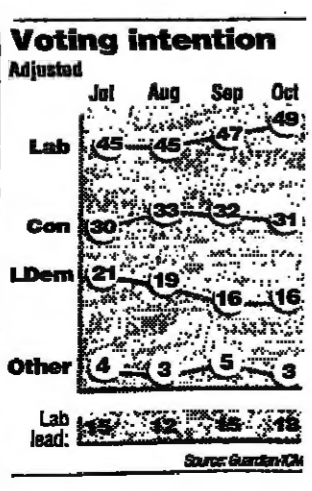
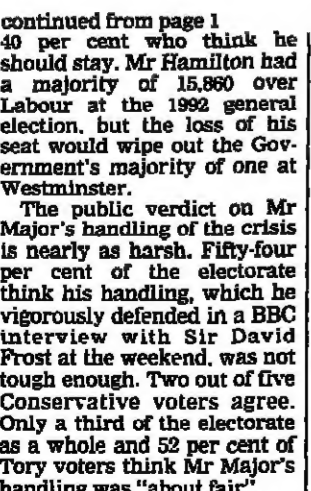
points from September), Conservatives 31 (down 1), Liberal Democrats 16 (no change) and others 5 (down 2). These figures would give Labour a majority of 191 Commons seats at a general election.

## End persecution, says Fergie's dad

Kamal Ahmed

MAJOR Ronald Ferguson, the father of the Duchess of York, said yesterday that it was time to end the "vicious persecution" of his daughter after reports that the Queen was offering her £5 million to go into exile.

Yesterday the Sun newspaper reported that the Queen had offered the duchess £5 million to pay off her debts, set up home abroad and allow Prince Andrew to have custody of their two daughters, Princess Beatrice, aged eight, and Princess Eugenie, aged six.



There is overwhelming public support for measures which would greatly tighten the existing system of payments to political parties and MPs. A large majority — 72 per cent compared with 24 per cent who disagreed — think it should now be a criminal offence for an MP not to disclose outside income in the Register of MPs' Interests.

There is also overwhelming agreement — by 90 per cent to 8 per cent among voters as a whole — that political parties should be legally obliged to reveal the sources and amounts they receive from those outside sources.

ICM interviewed a random sample of 1,200 adults aged 18 and over by telephone between 4 and 5 October. Interviews were conducted across the country and the results have been weighted to the profile of all adults

"She is extremely tired, and anyone would be with all this going on. "She is very worried about what effect it might have on the children because they are at school and at the age when schoolchildren do say things to each other. "And, of course, she is low, as anybody would be, but Sarah is strong."

# Anti-Arafat Palestinians deny blasts

Duncan Campbell Crime Correspondent

A GROUP of middle-class, educated Palestinians who were integrated into English society were responsible for bomb attacks on the Israeli embassy and a Jewish organisation in London in July 1994, an Old Bailey jury was told yesterday.

ucts of the English undergraduate and postgraduate systems in which they gained knowledge, the Crown alleges, that helped them create the bombs. "All believed that Mr — now President — Arafat was misguided in his attempts to come to any accommodation with the Israeli government and wished to hinder the process if at all possible. It may be no coincidence that these bombs were set off the day after Mr Rabin and King Hussein of Jordan signed the Washington Declaration paving the way for peace between their two countries."

The embassy bomb had exploded shortly after noon on July 26 1994, David Calvert-Smith, prosecuting, told the court. It had caused an estimated £5 million damage. "Astoundingly, but happily, no one was dead," he said. "That afternoon, letters were posted to two Arab newspapers based in London and the London office of the Palestine Liberation Organisation. The letters, from the Palestine Resistance Jaffa Group Palestine, claimed responsibility for the bomb aimed at the "Zionist enemy" and one which was to take place later that night.

The woman who planted the bomb, whom the Crown claim is Mrs Zekra, was spotted by a diplomatic protection officer, PC Ian Duncan, parking an Audi car on Palace Green. When the officer approached her, she told him she had a present for someone. She had a Harrods bag and a "present-type" bag and said she had been asked to return in five minutes. She offered to leave the car keys with him. Within 10 minutes, the car exploded.

Shortly after midnight, the second bomb exploded outside Zeffour House, home of the Jewish Philanthropic Organisation for Israel and the Middle East, based in Finchley, north London. Three young occupants of a passing car were lucky to survive.

The Crown claims that Mr Botmeh, a Leicester University electrical engineering graduate, with a wife and child in Leicester, was linked to the purchase of the cars used in the bombings. Ms Alami, who holds Bachelor and Masters degrees in chemical engineering, had a list of prominent English Jews at the address she shared with her twin sister and parents. The flat also allegedly contained a plan similar to the area round Balfour House and press cuttings about terrorist incidents. Ms Alami said she had nothing to do with it.

Ms Samar Alami, aged 30, of South Kensington, London; Javad Botmeh, aged 28, of Bloomsbury, London; and Mahmoud Abu-Wardeh, aged 25, of Putney, south London all plead not guilty to conspiring to cause explosions. They also deny possession of an explosive substance and firearms. Nadia Zekra, aged 46, married with two children, from Kensington, west London, is pleading not guilty to causing an explosion at the embassy.

Abu Wardah had allegedly refused to answer questions when arrested. Names of the editors of Arabic newspapers who received letters about the bombs were allegedly found at his home. Mr Calvert-Smith also claimed that a terrorist arsenal was later found at a safe deposit unit at Acton. It was, he suggested, linked to Ms Alami, Mr Botmeh and Mr Abu Wardah. The case continues.

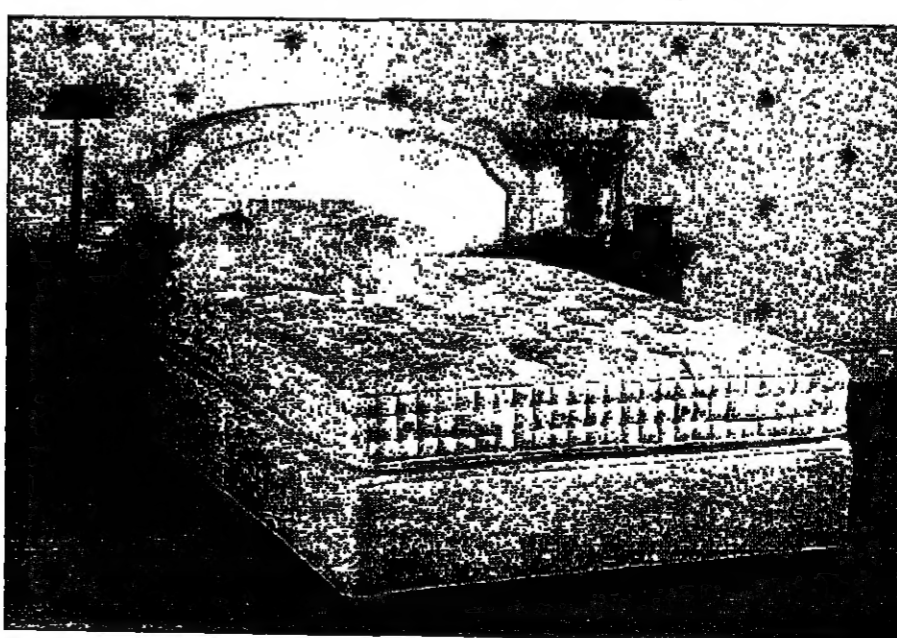
Ms Alami said she had nothing to do with it. Abu Wardah had allegedly refused to answer questions when arrested. Names of the editors of Arabic newspapers who received letters about the bombs were allegedly found at his home.

Mr Calvert-Smith also claimed that a terrorist arsenal was later found at a safe deposit unit at Acton. It was, he suggested, linked to Ms Alami, Mr Botmeh and Mr Abu Wardah. The case continues.



The Israeli embassy after the bomb attack in July 1994

# VI-SPRING



## UPGRADE TO A SUPREME VI-SPRING BED AT NO EXTRA COST

IF YOU ARE THINKING OF BUYING a new bed, Vi-Spring has a unique proposition for you. On new orders placed up to 11th November you can buy a SUPREME version of the BARONET, HERALD, REGAL or TIARA for the standard model price.

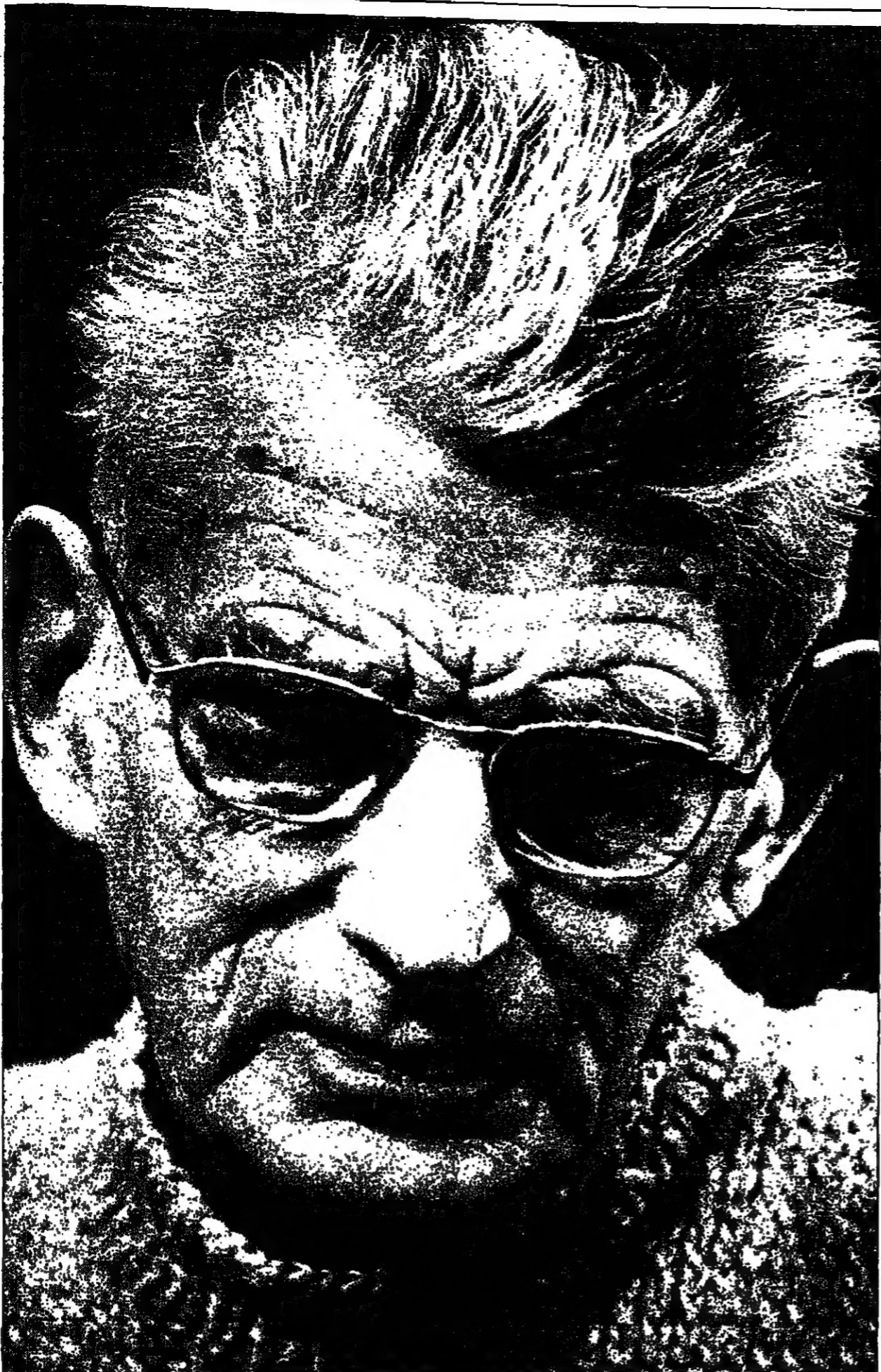
For decades, Vi-Spring beds have been the benchmark of quality throughout the bed industry. The SUPREME versions of these beds are made to even higher specifications. The HERALD SUPREME's upholstery for example has the addition of natural curled hair for added comfort. In partnership with specialist retailers, Vi-Spring is funding this remarkable offer which adds up to substantial savings. Simply cut out the voucher and take it to one of the participating specialists and make the comparison for yourself.

UPGRADE OFFER FOR A FULL PARTICIPATING STOCKIST LIST PLEASE CALL FREEPHONE 0800 592952 (NORMAL OFFICE HOURS) When you buy a new Vi-Spring BARONET, HERALD, REGAL or TIARA bed from a participating stockist this voucher enables you to upgrade your purchase to its SUPREME equivalent at no extra cost. OFFER APPLIES ONLY AT POINT OF PURCHASE TO NEW BEDS ORDERED BETWEEN 9th SEPTEMBER AND 11th NOVEMBER 1996 FROM PARTICIPATING STOCKISTS

Beckett poem grows light on dark period

A special rate national trade turnover and MetroCentre in that order. Ben Barber on w

Handwritten signature or note at the bottom of the page.



# Moscow urges caution but hints at possibility of more flexible stance Nato expansion may sink arms pacts, Lebed warns

John Palmer in Brussels

**R**USSIA'S security chief, Alexander Lebed, warned NATO yesterday that arms control agreements with Moscow might be threatened if the alliance opened its door to new members in central Europe too quickly. Speaking in Brussels, General Lebed suggested that Russia should be given a legally binding partnership agreement with the alliance, giving it a direct say in the timing of any expansion. His presentation of Russian policy contained both warnings of a possible rupture in post-cold war co-operation — including non-implementation of the Start-II treaty — and hints that a more flexible stance might be possible in Moscow. "It is NATO's business what NATO decides. Whatever NATO does, Russia is not going to go into hysterics," Gen Lebed told a press conference last night. But he counselled caution over the pace of enlargement, saying: "The main thing is not to hurry or you may trip up." During day-long meetings at NATO headquarters, he said he personally believed that expansion posed no security

threat. But cold war attitudes and suspicions still influenced Russian public opinion. The Russian parliament believed NATO was rushing ahead too quickly. Deputies might reject future arms control agreements and even refuse to ratify existing agreements, such as those reducing strategic nuclear and chemical weapons. "It will not be possible to have the Start-II treaty. We are also worried about all the other treaties," he warned. Several times in the discussions Gen Lebed, who was wearing a smart civilian suit, pointed out that "Russia is half of all Europe". Referring to NATO's plan to approve the start of enlargement negotiations with the first central European countries next year, he insisted: "Every step must be calculated. Take stock, take stock and take stock again." "I have not changed my opinion about NATO expansion and Russian security," he told journalists. "But I proposed today to put off this question... and let the next generation, which is less scarred by the attitudes of the cold war, decide." At a dinner for Gen Lebed last night, NATO ambassadors were inquiring whether Russia's objections to enlargement were fundamental or



Alexander Lebed: 'Start-II treaty will not be possible'

his part. Mr Solana asked Moscow for the same right of prior consultation about its policy as NATO had offered Russia. He suggested the appointment of a NATO military officer to liaise with Russian defence staff, to match the presence of a Russian general at NATO's military headquarters. NATO diplomats were clearly uncertain how to weigh up Gen Lebed's low-key presentation, and apparent acceptance that enlargement was no real threat to Moscow, with his explicit warning of an anti-western popular reaction in Russia itself. Nor did he spell out in any detail what kind of legally binding partnership agreement Moscow wanted with NATO before it could accept enlargement. Senior NATO sources last night ruled out any reconsideration of the principle of enlargement or the likely start of negotiations with the Czech Republic, Hungary, Poland, and probably Slovenia, on their membership applications next year. "We want to proceed on three fronts in tandem: the refocusing of NATO's role in the world, our relationship with Russia, and enlargement," one diplomat said. "Hopefully we can decide all these in the summit planned next summer, to which President Yeltsin may be invited."

# Company starts worldwide chase for \$1,000,000,000,000 worth of debt

Dan Atkinson

**B**ANKS and the tax authorities soon give up the ghost. It's simply too difficult to trace the money they are owed, and nigh impossible to get it back if they do. So step forward Martin Kenney, president of Interclaim. In the old days, Mr Kenney would be a soft bruiser who could, as they say, handle himself. He might pop round for what was called a friendly chat. For Mr Kenney is a debt collector. But as criminals get more sophisticated, so do those seeking to regain their illegally built empires. Inter-

claim, based in Dublin, is targeting \$1 trillion of drug money, missing tax payments and the proceeds of fraud stashed in offshore accounts around the globe. That's \$640 billion. The company's scheme is simple: pay the organisation which lost out a fraction of the debt and take it over. It will then chase the debtor via all legal means. It believes it is the world's first global debt collector. Fraudsters and debt absconders will be hit without warning by simultaneous court action in different jurisdictions to freeze their assets and disgorge the money they owe, Mr Kenney said. "The scale of this problem is huge."

Of the \$1 trillion in dubious offshore deposits, half — about \$200 billion — represent either drug money or the proceeds of tax evasion. The remainder is the proceeds of serious fraud, economic crime or deliberate refusal to pay legitimate debts. Mr Kenney's figures are based on calculations by the US central bank, the Federal Reserve. Favourite offshore locations included Panama, the British West Indies, Gibraltar, the Channel Islands and Isle of Man, Liechtenstein, Switzerland and Mauritius. A side effect of Interclaim's courtroom activities could be a weakening of bank secrecy laws in many of these havens. Banks and other financial

institutions have neither the expertise nor the inclination to pursue the modern international swindler. They prefer to write off bad debts. Tough banking rules in developed countries such as Britain actually encourage this approach, said Mr Kenney, forcing banks to declare bad loans as soon as possible. Interclaim, he said, will buy up hundreds of millions of dollars of bad loans for between 1/3 per cent and 8 per cent of their face value, and in some cases will work with the creditor on a 50-50 basis. Given that many fraudsters and swindlers publicly plead poverty, Interclaim expects them to settle quickly and quietly to avoid exposure.

# Beckett poem throws light on dark period

Dan Glaister on a literary discovery

**A**N unpublished poem by Samuel Beckett, unearthed in a leather-bound notebook, is to be published to coincide with National Poetry Day on Thursday. The short poem, *One Dead Of Night*, was written in 1977, 12 years before he died. "It struck me as a poem that should be published," said James Knowlson, who revealed the existence of the poem when researching his recently published biography, *Damned To Fame: The Life of Samuel Beckett*. "It is certainly good enough. It's a lovely little evocation, which is very visual." Beckett, according to Mr Knowlson, wrote numerous short poems, called *Mirritonnades* in 1977 and 1978, describing them as "gloomy French doggerel". At the time he was ill with an enlarged prostate, although the condition had stabilised. The poem reflects Beckett's literary interests at the time, when he was rediscovering many classic texts including Shake-

SAMUEL BECKETT  
ONE DEAD OF NIGHT

one dead of night  
in the dead still  
he looked up  
from his book  
  
from that dark  
to pore on other dark  
  
till afar  
taper faint  
the eyes  
  
in the dead still  
  
till afar  
his book as by  
a hand not his  
a hand on his  
faintly closed  
  
for good or ill  
  
for good and ill



Samuel Beckett (top) and the poem and caricature in Poetry Review PHOTOGRAPH: NOBBY CLARKE

speare and Dante. "He was going back to a lot of the old chestnuts," said Mr Knowlson yesterday. In an extract from Mr Knowlson's biography, reprinted in the *Poetry Review*, he says that the poem's brevity and apparent playfulness do not detract from their seriousness. "Although they have been largely ignored by critics writing about Beckett's work, they offer startling insights into the darkness of his private moods at this time," he writes. The poem was not included in Beckett's *Collected Poems 1930-1978*. The poem may have been written for Jim Lewis, a cameraman Beckett worked with on several

television plays. "Beckett was very generous," he said. "He liked to give scraps of paper to people." While Mr Landon has suggested that the poem foretells Beckett's 1982 work *Nacht und Träume*, Mr Knowlson points to other possibilities. "Several texts came out of this, possibly including *Stirrings Still* and *Ohio Impromptu*," he said. "I can only surmise that by the time it came to publish the anthology, he felt that elements of the poem had been used for other works." Mr Landon suggested that the poem did not rank among the greatest works of the author of *Happy Days* and *Endgame*. "There

are many things by Samuel Beckett but not all of them are on the same level. That is not to say it is not good. I suppose he never considered it important enough," he said. Beckett, who once worked as a secretary to James Joyce, was awarded the Nobel Prize for Literature in 1969 and was hailed as the person who brought absurdism to the public eye. His best-known work, *Waiting For Godot*, was famously described as the play in which nothing happens twice. His plays have been seen both as Christian allegories and nihilistic parables. Beckett himself always refused to explain them, saying only: "I meant what I said."

# Model freed from Indian jail to campaign against drugs

Vivek Chaudhary

**A**MODEL who served two years in an Indian jail for possession of drugs said yesterday that she now plans to campaign against drugs and take up social work. Samantha Slater, aged 25, who was released last week

from Trissur prison in the southern state of Kerala, said prison had transformed her culturally and spiritually. She added: "I began to read a variety of subjects, including religion and spiritualism. I don't think I have lost anything [in life]. I want to do social work, especially anti-drug campaigns."

She was arrested in January 1994 for carrying two ounces of cannabis resin in her bra while on a motorbike tour of southern India with her boyfriend. She was sentenced to 10 years in prison; her boyfriend, Andrew Heston, was jailed for three years and is still in jail. Ms Slater said it would be

difficult to return to wearing western clothes after wearing a sari in jail. While in prison she learnt Malayalam and taught English to the inmates. "I turned vegetarian in jail and intend to remain one." She added that her regular meal in prison was banana curry and rice.

**A special retail index, published last June, gave the latest national trading ratings. The top four locations, judged by turnover and by profitability per square foot, were MetroCentre, Meadowhall, Lakeside and Merry Hill, in that order. Oxford Street was down at No 11.**  
Paul Barker on why the future is mall-shaped

# G2 cover story

NOW WE'RE TALKING PENSIONS. NOW WE'RE TALKING PENSIONS.

## You're far too busy to worry about a pension

We know, we know. Things just get in the way. What with work, the kids, or life in general, a pension plan is just one of those things you always mean to sort out, but never do.

We understand. Call Colonial Direct today and we'll offer you a personal pension plan to help make your future secure, quickly and simply over the phone.

There's no hard sell, just comprehensive, friendly advice from somebody who knows what they're talking about: your future security.

What's more, our plan is linked to award-winning funds offering excellent performance over 10 years\*.

So call Colonial Direct today. Because there are better things to worry about than your pension.

**So call us now**

Give us a call FREE on  
**0800 828 525**  
 Lines open Mon to Fri 8am - 8pm

Colonial DIRECT

\*Source: Micropal. Past performance is not necessarily a guide to the future. The value of investments can go down as well as up, and is not guaranteed. Colonial Direct represents the Colonial Mutual Marketing Group which is regulated by the Personal Investment Authority and is bound by its rules. We can advise you only on Colonial products. Pension plans are provided by The Colonial Mutual Life Assurance Society Limited. Full written details are available from the address below. For your added security all telephone calls will be recorded and the recording kept secure. Colonial Direct, Colonial Mutual House, Chatham Maritime, Kent ME4 4YF.

NOW WE'RE TALKING PENSIONS. NOW WE'RE TALKING PENSIONS.



10/8/96

# Major pins hopes on workfare plan to cut dole budget

Michael White  
Political Editor

**J**OHN Major last night set the scene for the last Conservative conference before the general election when he placed workfare at the centre of a raft of hard-line social policies designed to win back lost voters.

Hours after ministers in London put the finishing touches on the expansion of two pilot workfare projects to five big cities — and up to 75,000 long-term unemployed — the prime minister told the annual agents hall that he is aiming to achieve "a sea change" in the level of welfare spending.

Lady Thatcher drew back from attacking alleged "shirkers" and "fiddlers" working in the black economy, even though significant sums — 5500 million over three years, officials claim — could be saved in search of the "lean welfare machine." Ministers now believe they understand the phenomenon well enough

to take the gamble that the package will force people to choose between staying on the dole and joining community programmes, and leaving the dole in order to go on being available to moonlight.

In both 1986 and 1991 Bournemouth was the setting for pre-election "springboard" conferences in advance of Tory election wins. In far more difficult circumstances, Mr Major pledged to create "an affordable welfare system for the 21st century". After years when ministers have ducked US-style workfare as risky and expensive, he told the agents that meant cutting the growth in welfare spending to below that in the economy as a whole.

A behind-the-scenes tussle is yet to decide whether Peter Lilley or Gillian Shephard will make the detailed statement to the conference on what Mr Major called a "contract for work".

In it the long-term jobless will get 13 weeks of training and 13 weeks of community work if they have not found a job. After that they will — if still unemployed — return to their previous dole level.

sentences for second serious offences against children in the Criminal Justice Bill to be enacted before the election, Mr Howard told the paper.

Mr Major pledged to create "an affordable welfare system for the 21st century". After years when ministers have ducked US-style workfare as risky and expensive, he told the agents that meant cutting the growth in welfare spending to below that in the economy as a whole.

A behind-the-scenes tussle is yet to decide whether Peter Lilley or Gillian Shephard will make the detailed statement to the conference on what Mr Major called a "contract for work".

In it the long-term jobless will get 13 weeks of training and 13 weeks of community work if they have not found a job. After that they will — if still unemployed — return to their previous dole level.

Tory officials are adamant that they can get the unemployment numbers down by forcing "welfare cheats" to choose between benefit and black economy jobs.



Harriet Harman and defector Ted Shelton, a former council leader in Norfolk, in a media scrum on the promenade

PHOTOGRAPH: MARTIN ARGLES

## Ted who? Confusion beside the seaside as Labour unveils its latest defector

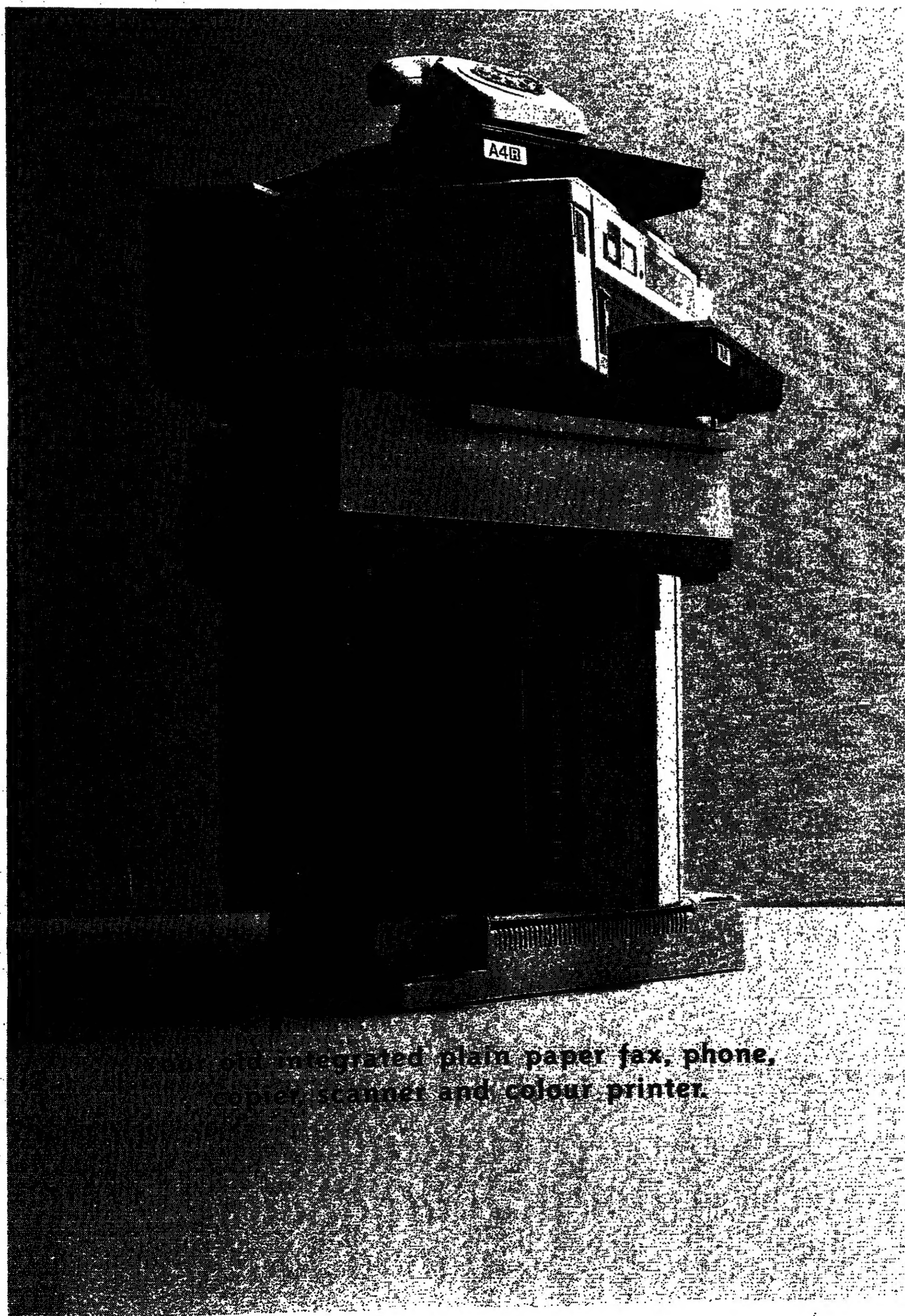
**L**ABOUR tried to steal the Tory thunder yesterday by unveiling a Defectors Hotline for dissident Conservatives — and a new defector, writes Michael White.

So many Conservatives are coming over to Tony Blair's side that they need a support network, Labour officials claim. Ted Shelton, twice leader of Breckland council in Norfolk, said yesterday he had agonised for three months.

The visit of shadow health spokesman, Harriet Harman, to greet Mr Shelton outside the centre where the Tory conference opens this morning was not without problems. The car bringing Mr Shelton delivered him to the wrong spot and waiting Labour visitors endured a mixture of curiosity and hostility from promenaders. There were cries of "What's she doing here?" and "You've had

your conference" directed at Ms Harman. Mr Shelton's only claim to national fame is as constituency agent to former chief whip Richard Ryder. But when he finally arrived in a tourist mini-train, there was a media scrum.

The 55-year-old from Derham, unemployed since losing his council seat in 1995, denounced his former party for various policy failures. VAT on domestic fuel had been the last straw. Then there was Neil Hamilton... By contrast Tony Blair was doing "a remarkable job."



## Delegates offer conference advice



**P**ETER DAVIS spent last week at the Labour conference, eavesdropping on disgruntled left-wingers brought sharply into line. "I attended it two years ago, and the difference is astonishing. They are desperate to win." Mr Davis, chairman of Croydon South Conservative Association in south London, is looking for moderation on the issues threatening to divide his party this week. "Like most of the party, I support the Government line on the single currency. I come from the business sector and have mixed feelings about Europe. I'm convinced a wait-and-see policy is right." His major interest is continued education reform. "Tony Blair has switched tack and is following in our wake. But there is more to be done there: we need to be sending adequately educated young people to work in industry, which doesn't seem to be happening now." But the real issue this week is winning the election. "The one thing I hope does come to the fore is planning for the years ahead: new policy ideas. We are a radical reforming party, and I'd very much like to see that continue."

Will sleaze sully the party atmosphere? Mr Davis dismisses the idea. "These are isolated instances of people acting irresponsibly. The membership is not sympathetic to Neil Hamilton, I don't think it will affect the party mood." *Clare Longrigg*

## Douglas Hogg

Agriculture Minister

**Progress report**  
John Major demonstrated he had a sense of humour by sending the dour and prickly Mr Hogg on a charm offensive to persuade European Union partners to relax the conditions for lifting the beef export ban. Unsurprisingly, he failed in his mission. It has been a miserable year for Hogg. His ponderous handling of the BSE scare added to the sense of crisis. He compounded this by taking about mass slaughter of cattle, well before it became official policy. In an attempt to restore confidence, the number of cattle earmarked for slaughter grew until last month, when the Government changed its mind again. Result: complete muddle, with little prospect of end to the beef ban.

**Today's performance**  
Since impossible to get through the speech without mentioning BSE, Hogg's tactic is to blame the European Union for intrusiveness, which will please a Tory conference. He has to hope that conference managers keep the rate harmonist away from the microphone.

**Prospects**  
He can take comfort from fact that it is rare for conference to express disapproval with anyone other than liberal-leaning home secretaries and pro-European chancellors and foreign secretaries. As for long-term prospects, he was predicted by some as a candidate for the chop in the ministerial reshuffle but survived. Safe until the next election, when chances are the whole ministerial team will be reshuffled.

## Today's business

- Agriculture (speaker, Douglas Hogg)
- Balance of the Union (Michael Forsyth and William Hague)
- Knockabout speech by party chairman, Brian Mawhinney
- Question and answer session on health with Stephen Dorrell
- Home affairs (Michael Howard)

Tuesday October 8 1996  
teatable force  
ts  
dbye to  
' after  
blasts  
nd felt like a hand pushing  
s gently to the ground.  
The squaddie screamed  
down soldiers and about  
scattered in several directions  
Just inside the gate.  
That was 15 minutes after  
the first blast — apparently  
a cynical attempt to get  
home as they tried to get  
through the main gate.  
Only a few ambulances  
had arrived at this stage  
their way hampered by  
scores of baffled children  
wearing the black blazer of  
Wallace High School. Care  
workers Friday was playing  
roughly on a pitch adjacent  
to the perimeter fence of  
bomb went off when the fire  
"We just saw the smoke  
go up and then we heard  
the blast and then there  
was debris coming down  
on the pitch, and  
pieces of metal," the 14  
year-old said.  
There was a moment  
silence and then lots of  
shouting from inside the  
base. We all just ran."  
An army officer dressed  
in civilian was doing his  
best to get people away  
from the base. He was  
shouting at the security  
guard. "Obviously they  
have blacked off. It's a  
biggest camp in Norfolk  
Ireland. You just get  
check every car going in.  
But it's ridiculous that  
this should have  
happened."  
There is a village  
and a local army camp  
ships, housing for many  
soldiers, but the one  
big army base at an  
and people from the  
working in there and  
how well the idea is  
wired. Builders or firms  
are safe. This is an  
and just on the British  
that has led to an

ffered  
of cruelty

eed

ush

'left infants'

I goes home

rawl charge

integrated plain paper fax, phone,  
and colour printer.

Italy's ex-Communists are feeling the cold wind of graft inquiries, writes John Hooper in Rome

# Left attacks Clean Hands

**T**HE prosecutors behind efforts to unearth corruption in Italy are again under attack. But this time the attack is not from the rightwing Silvio Berlusconi and his allies, but from the former Communists, the real power behind the centre-left government.

**Italy's judge prosecutors are its only hope of a cleaner society**

Each of Italy's three governments in the past two and a half years has sooner or later turned its fire on the Milan prosecutors, though Lamberto Dini, Italy's last prime minister, fired his justice minister for doing so.

Underlying the controversy are genuine civil liberties issues which have become impossible to disentangle from the political manoeuvring. In Italy, prosecutors and judges share a single profession, and never appear in court for defendants. Their use of detention to extract confessions, their reliance on confessions to charge suspects, and their routine leaking of the transcripts of interrogations have all been criticised in the past.

had already spoken of splitting judges and prosecutors into two separate careers. But for the moment, given the apparent inability of both politicians and journalists to root out corruption, Italy's judge-prosecutors are its only hope of a cleaner society.

## Cesare Salvi's criticisms fit into a repetitive and suspicious pattern

politicians and journalists to root out corruption, Italy's judge-prosecutors are its only hope of a cleaner society.

### News in brief

## Sabotage disrupts German railways

**ANTI-NUCLEAR** militants were suspected of sabotaging rail services across much of northern Germany yesterday by holding grappling hooks across overhead power lines.

Although no one claimed responsibility, campaigners opposed to the transport of nuclear waste by rail to a storage site near Hanover were believed to be behind the attacks.

## Kuwait voters lured by food

**KUWAITI** men voted in parliamentary elections yesterday, tempted with gourmet food by candidates as about 200 women demonstrated for political rights in the Gulf state.

Only one in seven of the country's 700,000 people can vote in the elections: women, police and military personnel, men under 21, and those naturalised less than 20 years ago are excluded.

Some Western diplomats said the female activists were mainly from an elite and had little popular support.

## Corsican group claims bomb

**CORSICAN** separatists claimed responsibility yesterday for a bomb attack on the prime minister Alain Juppé's mayoral office in Bordeaux, raising fears of an offensive in mainland France.

In a brief statement to news organisations in the Corsican capital Ajaccio, the "historic wing" of the Corsican National Liberation Front (FLNC) said it carried out the attack on Saturday night, which caused damage but no casualties.

Mr Juppé held emergency consultations with his interior and justice ministers and ordered that security be stepped up at public buildings in Paris and provincial cities.

## Bank to fight Nazi loot claim

**SWITZERLAND'S** biggest bank yesterday ruled out an out-of-court settlement of a \$20 billion (£13 billion) law suit filed in New York by a Holocaust survivor who says Swiss banks may be hiding her family's wealth.

The suit names UBS and Swiss Bank Corporation, two of the country's three biggest banks. It also accuses more than 100 unnamed banking institutions and individuals.

## Qatar 'aiding Bahrain's foes'

**BAHRAIN'S** foreign minister yesterday accused Qatar for the first time of directly backing Shi'ite opponents of Bahrain's Sunni-dominated government.

Sheikh Mohammad bin Mubarak al-Khalifa told the London-based al-Hayat newspaper that Qatar was co-operating with "enemies of another country and showing them on television to attack a sisterly state... [Qatar] allocates money to support [the opponents]".

## Inkatha blow to constitution

**THE** Zulu Chief Mangosuthu Buthelezi's Inkatha Freedom Party pulled out of South Africa's constitutional negotiations yesterday, dashing hopes of national consensus on the blueprint for post-apartheid rule.

It also accuses more than 100 unnamed banking institutions and individuals.

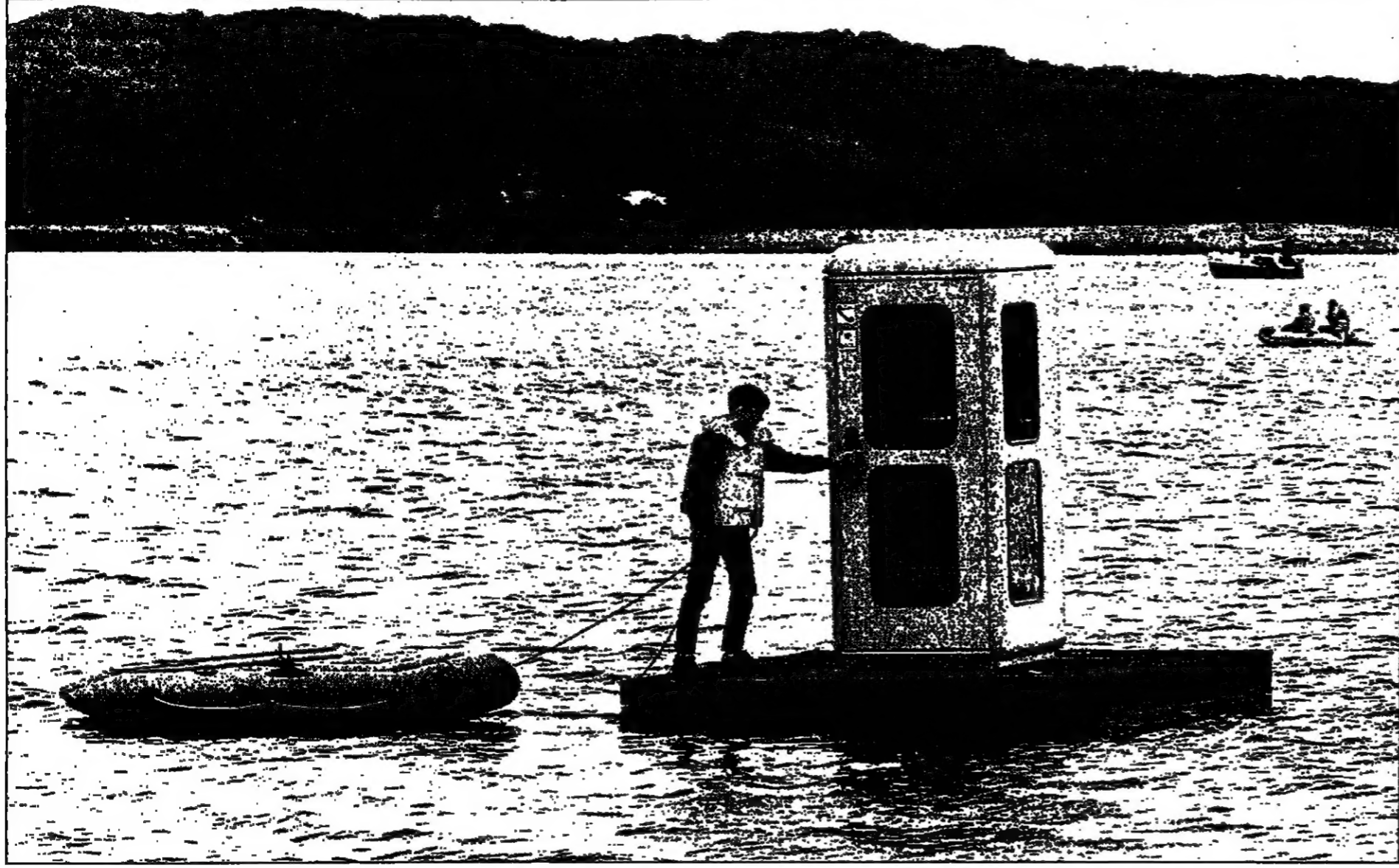
## Seoul rejects 'spy' links

**SOUTH KOREA** denied yesterday that a United States citizen held in North Korea on spying charges was working for Seoul.

## Correction

**IN THE** Guardian of August 22 it was reported that Mr Abduljawad, chairman of Oilinvest International NV, had been arrested.

**The La Fenice opera house, in which Rigoletto and La Traviata had their premières, may have been reduced to ashes by the Mafia itself.**  
John Hooper in Venice



Crossed lines... A puzzled young German tries to enter a floating phone box on the River Schiel, but it is only part of a project by the artist Mona Strehlow. PHOTOGRAPH CHRISTOF STACHE

## Cult watchers await verdict

Alex Duval Smith in Paris

**FRENCH** campaigners against cults are hoping for legislation against "mental manipulation" if the country's scientific leader is found guilty today of the involuntary manslaughter of a follower who died after jumping from a 12th floor window.

After a 10-day trial, a court in Lyon will decide whether Jean-Jacques Mazier had a role in the 31-year-old disciple's suicide in 1986. It will also rule on fraud charges against 23 other leading members of the organisation.

tion treatment". A year later his widow, Nelly Vic, joined a legal action by 20 former scientologists who claim they were defrauded of thousands of francs for treatments offered by the French Church of Scientology.

Thirteen of them have since settled out of court. Mr Mazier denies leading Vic to suicide, maintaining that he is "a man of the church" who was only trying to help him.

## Holocaust author damns Mitterrand

Wiesel is finally shocked into believing that his old friend's Vichy past was part of a pattern, writes Paul Webster in Paris

**ELIE WIESEL**, the Nobel peace prize winner who acted as an international guarantor of François Mitterrand's good faith on his attitude towards the Holocaust, has rounded on the late Socialist leader.

"The sea is not yet full."

The Holocaust historian, who also writes of a betrayal by Mr Mitterrand's adviser, Jacques Attali, said that he would have been even harder on Mr Mitterrand were he still alive.

But Mr Wiesel's memoirs, published by Seuil as a sequel to *Tous les fleuves vont à la mer* (All rivers flow to the sea), reflect the shock he felt when Mr Mitterrand admitted in a 1994 book and a television interview that he was a friend of

the Vichy police chief, René Bousquet, who ordered French police to round up Jews.

people and to put them on trial; his custom of secretly laying a wreath on Pétain's tomb; his links with former (fascist) Cagoulards; his determination to hide part of his life and his habit of surrounding himself with Jews — all this must have an explanation.

## Taliban face the valley of death

Jonathan Steele in Gulbaha, Afghanistan

**TALIBAN** militias used helicopters, tanks, and artillery in a show of force at the mouth of the Panjshir valley yesterday in spite of a warning from the northern Afghan warlord General Rashid Dostam that he might join forces with his rival Ahmed Shah Massoud against them unless they called a ceasefire.

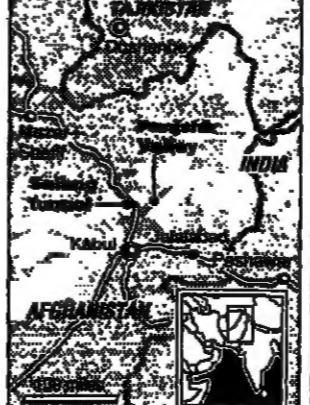
Taliban sappers were blasting away rocks which Commander Massoud, the ousted defence minister, had placed on the road beside the river last week to block their path. Scores of fresh troops were arriving at the front-line village of Gulbaha in apparent readiness to push further up the valley.



A front-line Taliban fighter loads a rocket launcher

reinforce other Taliban who occupied it at the weekend. Mortars and tank rounds were fired over the mountains towards Massoud positions in reply to incoming rounds. A Taliban helicopter flew overhead. We heard the whine of two jets but it was not clear which side they were on.

when he saw them fleeing from Kabul 10 days earlier when the Taliban seized the city. He knew of 40 other Massoud troops who had joined the Taliban, he said. The only militias who declined to continue talking were a group were hustled on by their leader when three revealed they were Pashtuns from Pakistan.



three years ago. A carefully worded statement from his headquarters in the northern city of Mazar-i-Sharif warned the Taliban on Sunday that to go on fighting "serves no purpose" and called for a broadly-based national Islamic government.

**DO YOU BELIEVE IN LIFE AFTER DEATH?**  
We do. Kidney research saves lives. So do legacies.  
**NATIONAL KIDNEY RESEARCH FUND**  
3 Archers Court, Stables Road, Haslemere, Surrey GU27 0JG  
Telephone 01420 45555  
Registered Charity No. 262892

Handwritten signature or scribble at the bottom of the page.

Vertical text on the right edge of the page, including "A Clinton clinch", "Colombia clashes", "World Cup still in the", and "G2 page 4".









Lord Colnbrook

Doing the decent thing

LORD COLNBROOK, who has died aged 74, was a handsome and affable politician, who served both Edward Heath and Margaret Thatcher as chief whip (1973-79), before volunteering to fill the bloodied boots left vacant by the murder of Airey Neave by the IRA...

When Thatcher challenged Heath for the Tory leadership, Atkins insisted the whips remained neutral... served on the Atlantic convoys during the war, came out of the Royal Navy in 1946...

retary of State for Northern Ireland, where he followed Roy Mason, a Labour right-winger who had been popular in the Province... Jokes aside, his life in the province was made hell by Mrs Thatcher's demands for instant results to be imposed on Ulster's warring politicians...



Bridging the divide... Humphrey Atkins served the Tory cause in both Houses

Lord Deane writes: Humphrey Atkins was one of those rare British politicians who was equally at home with all political parties and at both ends of the Palace of Westminster... His marriage in 1944, was in his wife's words, the union of a "very phlegmatic and easy-going Anglo-Saxon" and an "emotional Celt, very irritable at times"...

chinery of government only really works for the benefit of the country if there is mutual respect and consent between the various opposing factions... When, as Lord Colnbrook came to fill a well-earned place in the House of Lords, he managed to bridge the gap and gauge the difference be-

tween the Houses more comprehensively and in a shorter time than very many others... He will be sadly missed and long remembered. He and Maggie his wife must be taken as one of the most successful and affectionate parliamentary partnerships of modern years.

Roy Guest

Howff life and superstars

IN THE 1980s Roy Guest, who has died aged 82, probably stands like Pink Floyd, the Incredible String Band and Fairport Convention, brought American artists like Bill Monroe and the Bluegrass Boys, Tom Paxton, Frank Zappa and Buffy Sainte-Marie to Britain...



Guest... more than folk

When he started out in the 1950s with Roy's Guest Nights at the Royal Festival Hall he was a "successful" folk artist... He lived his later life in Faversham, Kent. He joined the Labour Party, criticising its bureaucracy at every opportunity...

series of chamber concerts he needed funding for his club and was referred by the Arts Council to Cambridge through a council which turned him down on the grounds that the Howff would eventually make a profit... He died on 22 September 1996.

Masaki Kobayashi

Sensitive tales of war, peace and samurais

IT IS interesting to speculate what kind of film director Masaki Kobayashi, who has died aged 80, would have become had he not suffered brutality as a private in the Japanese army, and then further humiliations as a prisoner of war...

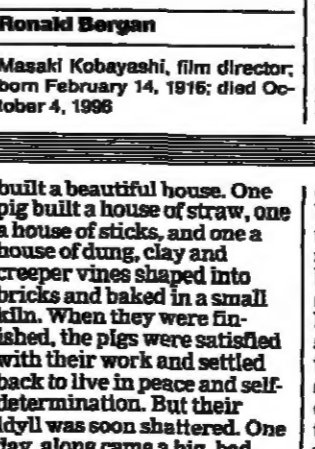
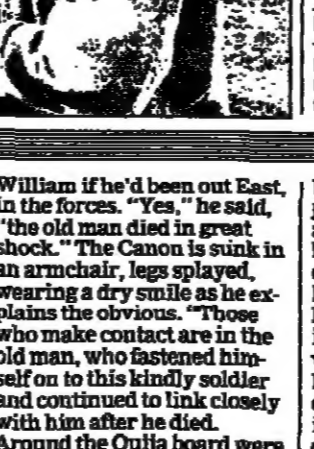
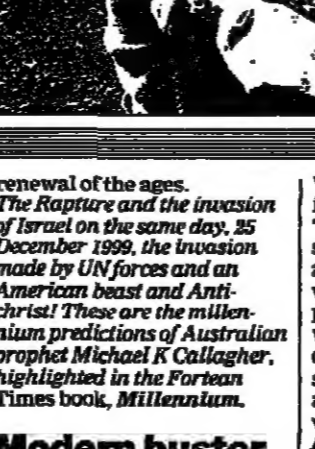
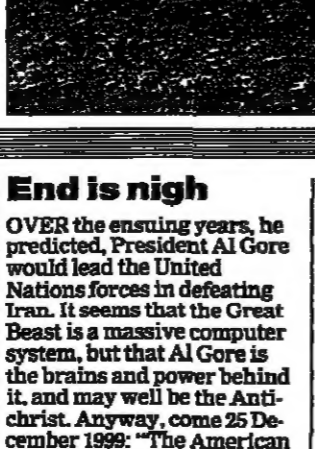
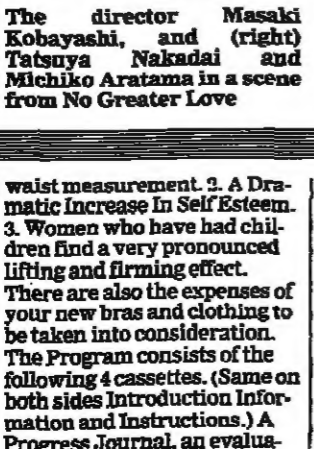
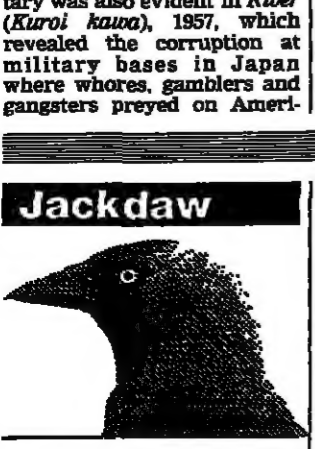
can soldiers. It made a star of 24-year-old Tatsuya Nakadai, who became almost as well-known in the West as Toshiro Mifune... Kobayashi cast Nakadai as the protagonist in his harrowing war trilogy The Human Condition (Ningen no joken)...

it deals with Japanese war guilt, imperialism, fascism, militarism and, above all, the cruelty that human beings are capable of inflicting on one another in the name of ideology... The trumas of the second world war continued to hang over Hymn to a Bird Man (Nippon no shishun), 1968...

four-and-a-half hour documentary depicting Japanese aggression in Asia, using footage of the post-war trial of war criminals... However, significant as these films are, their rather underlined polemics and pre-occupation with the Japanese military and pacifist themes have made them less acceptable in the West than Kobayashi's two most celebrated period films...

employed by Nakadai) visits a foundry, and when denied service carries out the ritual suicide... While remaining true to the traditions of the chambers films (about the samurai, featuring swordfights), Kobayashi manages to criticise the rigid codes of honour... Kwaidan (1964) consists of four eerie ghost stories based on stories by Lafcadio Hearn...

Letters: Father Aodh O'Halpin writes: I shed tears for the passing of Douglas Hyde (obituary, September 2). He laughed so joyfully, and was so full of hope for a better world... Church itself. I was very fortunate to see him just two weeks before he died along with Colin Murphy...



Letters

Father Aodh O'Halpin writes: I shed tears for the passing of Douglas Hyde (obituary, September 2). He laughed so joyfully, and was so full of hope for a better world... Church itself. I was very fortunate to see him just two weeks before he died along with Colin Murphy...

Birthdays

Betty Boothroyd MP, Speaker of the Commons, 67; Prof Garth Chapman, zoologist, 75; Chevy Chase, actor, 55; Miller Gray, artist and founder partner, Design Research Unit, 97; Alan Igglesden, cricketer, 82; The Rev Jesse Jackson, US civil rights leader, 55; Alasdair Milne, broadcaster, 66; Dr Cesar Milstein, CH, biologist and biochemist, 69; Bel Mooney, writer and broadcaster, 50; Richard Morris, director, Council for British Archaeology, 49; Blake Morrison, poet, literary editor, 46; Dame Merle Park, director, Royal Ballet School, 58; Ray Raymond, snooker champion, 64; Lord Romney, film producer,

49; Albert Roux, chef de cuisine, 61; Robert Saxton, composer, 43; Nigel Searing, Labour MP, 66; Godfrey Talbot, author, broadcaster, 68; Vera Tims, senior civil servant, 82; Sigourney Weaver, actress, 49... Death Notices: FERRINGTON Catherine Elizabeth on 20 October 1996 at The Villa Chapel, 81; aged 77 years. A dearly loved sister, sister-in-law and aunt. The family, friends and former colleagues-Funeral services will be held on Friday 11th October 1996 at 11.00am. Family home only but donations please to Chest, Heart and Stroke Association, Department 6, Westwick House North, London WC1H 9AE. Write place your announcement telephone 0171 733 4007. Fax 0171 733 4120.

Jackdaw

Natural lift: NATURAL BREAST ENLARGEMENT - Thru Self-Hypnosis! YES, this breast enlargement DOES WORK. The latest medical studies show mental techniques alone can increase breast size. Our scientifically tested techniques are being offered to you as Natural Breast Enlargement Thru Self-Hypnosis. Our program is a safe, fun, effective and non-invasive way to have larger more beautiful breasts in 12 short weeks...

End is nigh

OVER the ensuing years, he predicted, President Al Gore would lead the United Nations forces in defeating Iran. It seems that the Great Beast is a massive computer system, but that Al Gore is the brains and power behind it, and may well be the Antichrist. Anyway, come 25 December 1998: The American forces will invade Israel's disputed territory according to their United Nations resolutions with nuclear missiles against the invading American forces, who shall be completely destroyed on the mountains of Israel. Also Europe united shall destroy the land of America with nuclear missiles. On this same Christmas day a great miracle shall happen when many living people shall disappear off the face of the earth...

Modern buster

"A LOCAL paper called me the 'Exorcist'. I see dead people but I'm not an exorcist. The job is more prosaic, like working for Rentokil. You can't decide on a course of action until you know why they're doing it. You have to discover who that person is - I never talk about spirits but about the people, because that's what they are. They're not wisps." In the case of the Flying Settee, he quickly found the unlikely culprit: "A very, very old man, frail and thin. He sat there, dazed and walling, and I had the (clairvoyant) impression of a village out East: dead men, women and children, huts on fire, devastation. I asked

Pigs go PC

ONCE there were 3 little pigs who lived together in mutual respect and in harmony with their environment. Using materials that were indigenous to the area they each

William if he'd been out East

in the forces. "Yes," he said, "the old man died in great shock." The Canon is sunk in an armchair, legs splayed, wearing a dry smile as he explains the obvious. "Those who make contact are in the old man, who fastened himself on to this kindly soldier, and continued to link closely with him after he died. Around the Outja board were people with latent psychic energy, enabling him to make his presence felt. I prayed for him, that he would be healed and helped. No more violence. Easy. But I have no desire to be a ghostbuster or any of that nonsense. If someone dead crosses my sitting room, I just say, 'Bless you' and carry on reading. Canon Quine talking about being the country's leading psychic. Interviewed in GQ.

built a beautiful house

One pig built a house of straw, one a house of sticks, and one a house of dung, clay and creeper vines shaped into bricks and baked in a small kiln. When they were finished, the pigs were satisfied with their work and settled back to live in peace and self-determination. But their idyll was soon shattered. One day, along came a big, bad wolf with expansionist ideas. He saw the pigs and grew very hungry in both a physical

When the pigs saw the wolf

and ideological sense. They ran into the house of straw. The wolf ran up to the house and banged on the door, shouting, "Little pigs, little pigs, let me in!" The pigs shouted back, "Your gunboat tactics hold no fear for pigs defending their homes and culture." But the wolf wasn't to be denied what he thought was his manifest destiny. So he huffed and puffed and blew down the house of straw. The pig pursued. At the house of sticks, the wolf again banged on the door and shouted, "Little pigs, little pigs, let me in!" The pigs shouted back, "Go to hell, you carnivorous, imperialistic oppressor!" At this the wolf huffed and puffed and blew down the house of sticks. The pigs ran to the house of bricks. When the house of bricks had stood, other wolves built a time-share condo resort complex for vacationing wolves. At the house of bricks, the wolf again banged on the door and shouted, "Little pigs, little

pigs, let me in!

This time in response, the pigs sang songs of solidarity and wrote letters of protest to the United Nations. By now the wolf was getting angry. So he huffed and puffed, and huffed and puffed, then grabbed his chest and fell over dead from a massive heart attack brought on from eating too many fatty foods. The three little pigs rejoiced that justice had triumphed. Their next step was to liberate their homeland. Then the pigs set up a model socialist democracy with free education, universal health care and affordable housing for everyone. Please note: The wolf in this story was a metaphorical construct. No actual wolves were harmed in the writing of the story. Political correctness from the anarchy listserver. Jackdaw wants jewels. E-mail jackdaw@guardian.co.uk; fax 0171-733 4966; Jackdaw, The Guardian, 115 Farringdon Road, London EC1R 3ER.

Mercury FreeCall 0500... TODAY, BT C... THEIR PRICES... UP TO 25%... AND WE'LL ST... BE UP TO... 48% CHEAPE...

Financial Editor: Alex Brummer  
Telephone: 0171-239-9610  
Fax: 0171-833-4456

# Finance Guardian

## Retail boom fails to boost factories

Richard Thomas  
Economics Correspondent

**A** SHARP fall in factory production has dashed government hopes that a retail boom would fuel a recovery in the stagnant manufacturing sector.

City analysts — who had expected a small increase — said the figures highlighted the growing chasm between a buoyant consumer sector and a gloomy outlook for industry.

Describing the overall trend in manufacturing as flat, ONS officials said production between June and August was 0.4 per cent down on the corresponding period a year previously — the biggest fall since May 1992.

But Labour seized on the figures to attack the Government's failure to build a strong export base. Shadow trade and industry secretary Margaret Beckett said: "The Conservatives constantly try to talk up our economic performance, but these figures show their claim to be making Britain the enterprise centre of Europe is hollow."

Jonathan Loyne, UK economist at HSBC Markets, said: "The key problem for manufacturers is the size of the stock overhang. Although demand is strengthening, they are unable to meet it from shelves, rather than stepping up new production."

Oil and gas extraction dipped by 0.2 per cent over the three months to August as rigs were shut down for annual maintenance, while the output of electricity and gas suppliers fell by 3.2 per cent during the warmer-than-expected summer.

### Notebook

## Industry data put Clarke on spot



Mark Milner

**W**HEN you're a pro-European Conservative Chancellor about to face a barrage of a party conference stuffed full of Euro-sceptics it is unhelpful to hear that Britain's factories are producing less than they were a year ago.

Hence, the Treasury rapid rebuttal unit was in full cry earlier yesterday's industrial production figures. Manufacturers, it said, were still trying to shift excess stocks while consumers were buying services rather than goods.

Then the oldest favourite of all — don't read too much into one month's figures. The stocks argument carried some weight six months ago but it is starting to wear thin when set against the bullish business surveys from the CBI and the British Chambers of Commerce.

Yet the Treasury is right to be cautious. Something doesn't quite add up. If consumer demand is rising — as it appears to be — the upshot should be either an increase in domestic production or higher imports, and probably both.

Yet manufacturing output is down and imports for Britain — are remarkably well behaved. The likeliest explanation is that the official figures are systematically underestimating manufacturing production, compounded in the latest data by the difficulty in seasonally adjusting the August figures for holiday shut-downs.

Output will rise over the coming months and, in the meantime, its weakness will help Mr Clarke keep base rates on hold. That may be of little comfort to the Chancellor in Bournemouth, however.

### Eurotunnel blight

**E**UROTUNNEL's banks and shareholders will all feel the pain of the financial restructuring package announced yesterday.

The banks will be left holding big chunks of Eurotunnel paper as well as a substantial tranche of debt paying below market interest rates. Shareholders are facing heavy dilution of their equity — though the banks have been more generous than early leaks of the deal suggested. They also face an estimated decade-long wait for a dividend which, given Eurotunnel's forecast track record, hardly looks the safest bet.

The proposals are certainly a better bet than bankruptcy,

though it is by no means certain that they will command the necessary support.

But the fate of Eurotunnel shareholders, including thousands of small investors in France, could have wider ramifications on either side of the Channel. It is not simply a question of direct investment. The need to change the balance of France's future pension provision from the state to the private sector will mean workers will need to be persuaded to invest their savings for retirement into funds which will, the authorities hope, provide the institutional investor base to boost the French stock market.

Neither the government's privatisation programme nor Eurotunnel has provided an inspirational example of the advantages of equity investment. The Eurotunnel experience may also cast a light over the funding of future high cost infrastructure projects. Both banks and shareholders will be warier (and wearier), especially of those projects where governments — as with Mrs Thatcher's determination not to spend a penny of taxpayers' money on the tunnel — make it clear the public purse is closed.

### Banking jigsaw

**M**ONEY, we are told, makes the world go round. But money goes round the world too, in ever increasing amounts and at an ever more rapid rate.

The ease with which large volumes of funds can be switched from bank to bank — and from supervisory jurisdiction to jurisdiction — poses headaches for those charged with policing the regulatory jigsaw that represents the international banking system.

Bank regulators have tried, with varying success, to follow their charges across borders. Two of the snags they face are differing rules governing banking secrecy and the frequent inability of banking regulators in one country to run the supervisory rule over the foreign operations of a bank for which it has responsibility.

However, working party made up of members of the Basle Committee on Banking Supervision and the Offshore Group of Banking Supervisors, which between them include some 140 countries, has come up with a set of recommendations which should allow for a freer (though scarcely free) flow of information.

The report shows the difficulties of stitching together a deal that will keep 140 regulators on side. Regulators in countries which can't allow outside supervisors access to depositors' identities should use their "best endeavours" to get the lid changed. Some countries are even worried about regulators with such access which find breaches of their own laws (as opposed to banking regulations) blowing the whistle.

As its architects argue, the agreement, if it works in practice, will be an important step forward. But it also shows how much further there is to go.

## Claim that Kleinwort Benson 'bowed to political pressure'

# Bankers to face inquiry by Imro

Patrick Donovan  
City Editor

**A** LLEGATIONS that Kleinwort Benson, the investment bank, bowed to political pressures by attempting to stop one of its senior fund managers raising investment questions about French and South African privatisation stocks are expected to be investigated by the Imro watchdog.

Complaints that Kleinwort Benson breached the requirement that it should maintain a "Chinese Wall" between its corporate finance operations and its investment business are contained in a formal internal complaint which has been seen by The Guardian.

The charge that Kleinwort Benson had put "undue influence" on its investment management operations is contained in a document addressed to the company's compliance chief Richard Hitchman.

Dated September 11 1996, the document was sent by Mark Horn, a senior fund manager, who was sacked on Friday for failing to "follow management instructions".

A spokesman for Kleinwort Benson yesterday confirmed that Imro has launched a formal investigation into the allegations raised by Mr Horn and declined to comment further.

A rival fund manager said: "Mr Horn is a first-rate player who really looks after his clients. These allegations must be taken seriously."

The internal document shows that concerns were raised over Mr Horn's public comments about the performance of Usinor Saciilor, a stock privatised by the French government.

Mr Horn told the compliance department that his comments were "carefully considered and purely analytical".

However, he expressed concern because his remarks had been the subject of internal

complaints by the Corporate Finance Department of Kleinwort Benson in France — which had an interest in trying to win privatisation mandates from that country's government.

Mr Horn warns in the document that it would be "extremely embarrassing" for the group if suggestions that the French Treasury put pressure on the Kleinwort Benson Corporate Finance Department, to prevent critical analysis of their policy by the London-based fund management arm of the KB Group, ever reached the press.

He adds: "It need not be outlined how the acquiescence of London based officials of the KB Group in this conspiracy of influence would be viewed by the SIB and the media."

He warns that it is "both unethical and illegal" for influence to be exerted by the "sell" side over the "buy" side of the business. "We are separate legal businesses with different clients and objectives. Indeed, our interests are fundamentally opposed. As we at KBIM have a special fiduciary obligation in regard to our clients' monies our integrity is integral to our business."

"If that were compromised by undue influence from the 'sell' side, our clients would have a justifiable claim for compensation."

Other internal documents claim that an official complaint was raised by the Dresdner Kleinwort Benson Group after Mr Horn challenged the views of South African government ministers at a CBI conference in London this year.

Mr Horn says that he was never told who made the initial complaints. But he added that his scepticism "was acknowledged to be well in line with the internal view of KBIM".

If he was prevented from raising questions, Mr Horn told his superiors, "There would be little point in attending any meeting with corporate or political representatives".



BT and Bianca... EastEnders' Patsy Palmer, at Victoria for the promotion, with stylist Nicky Clarke. PHOTOGRAPH: RICHARD WAT

## Bullish rivals beat BT to the cut

Nickolas Bannister  
Technology Editor

**T**HE telephone price-war broke out anew yesterday as rival operators reduced charges the day before British Telecom's latest price-cuts come into force.

Energis, the phone operator owned by National Grid, led the assault by reducing the cost of weekday business calls to the United States to 10p a minute, claiming this was 44.9 per cent below the cheapest rate BT could offer. It also reduced business charges to Australasia, Japan and the Far East.

TeleWest and Nynex Cablecomms, the two largest cable companies, and Long Distance International and Swiftcall, low-cost specialist operators, also announced cheaper call charges.

TeleWest said any BT residential customer who switched would end up with a lower bill under its new tariff structure, providing that the pattern of calls was unchanged. It aimed to maintain

an average 10 to 15 per cent saving over BT, even after taking into account BT's discount schemes.

Sarah Howa, its vice president in charge of residential services, said that Ofel, the industry watchdog, had forced BT to reduce its prices.

"Our position is simple," he said. "We'll keep our promise — every bill is cheaper."

TeleWest's cable network provides 3.9 million homes. It passes more than 568,300 residential and 60,900 business lines.

Nynex CableComms said its customers would continue to save 25 per cent over BT's standard prices and that all its business customers would save money.

Mike Grabiner, Energis's chief executive, said the company had been able to reduce charges because it had a modern network and had negotiated lower wholesale rates. It had applied for an international licence, following the recent change removing the BT and Mercury duopoly.

"You can see what we can do without an international licence," Mr Grabiner said. "We see significant opportunities for further reductions when we have an international licence."

Launched in September 1994, Energis now has over 12,000 business customers, including Boots, Reuters and Great Universal Stores.

It has also grabbed the lion's share of the Internet access market, supplying telecom providers such as Demon, Microsoft Network and Pipex.

BT and Bianca... EastEnders' Patsy Palmer, at Victoria for the promotion, with stylist Nicky Clarke. PHOTOGRAPH: RICHARD WAT

## Store did not run aground — official

### Allders cannot sue over the QE2 accident, the US Supreme Court has decided. DAN ATKINSON reports

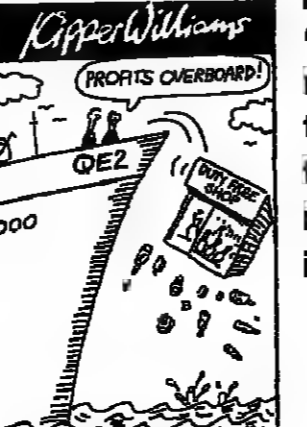
**A**UGUST 1992 was a month never to be forgotten. Europe was in crisis, sterling was plunging, Annie Lennox and REM dominated the charts and, in the early hours of the 9th, a British department store ran aground off the eastern seaboard of the United States.

What with all the other excitement in the world, this last event may have passed unnoticed, but the store's owner, Allders, has no doubt that it happened.

Allders, better known for its 12 department stores than for transatlantic navigation, said it had a quarter of a million dollars in losses to prove the accident took place. But yesterday, America's ultimate judicial authority, the US Supreme Court, handed down its ruling: a department store can neither go to sea nor hit the rocks.

Unable to sue the federal government for failing to show on its navigational charts the underwater ledge off the coast of Massachusetts it claims caused the whole unfortunate incident.

Those with sharp memories may remember that the



Queen Elizabeth II, also ran aground in the same place and at the same time. This is not a coincidence. The Allders shops in question were, it is true, hitching a lift across the sea on a Cunard ship, and it is this pernickety detail that has allowed US judges to let their government off the hook.

Allders had argued that, so close was its near-30 year relationship with the QE2, the two had become almost inseparable. Indeed,

as Allders and its insurer Eagle Star told the US courts: "The shops could not sail without the vessel, and the vessel would not sail without its retail shops."

US law allows shipowners and companies suffering physical damage to their property to sue the government in cases such as this, Allders, according to the federal authorities, had suffered no damage to its stock or its shops.

The company countered that investments of more than \$10 million during the past nine years has given it a stake in the general success of the QE2 — in other words, the ship and the stores were more or less identical.

The QE2 was out of action for more than two months after the accident, and Allders claims losses of more than \$250,000 as a result. Cunard itself is suing the US government separately — being indisputably a shipowner, rather than a department store that may be a sort of ship, it is having less difficulty pursuing its case.

## Former BET chief starts £3m High-Court claim for sacking

Financial staff

**A**CORPORATE high-flyer, who lost his job after a takeover, started a claim for £3 million in the High Court yesterday.

John Clark, former chief executive of services company BET, is suing Rentokil, the group best-known for its pesticides which bought BET for £2.2 billion in April.

In an action that could turn upside-down the accepted doctrine of "heads rolling" after a hostile bid, Mr Clark is demanding £1.4 million for loss of salary plus damages for loss of pension rights, options, bonuses, car and chauffeur and health insurance.

Rentokil, the court heard, agreed it should compensate Mr Clark for loss, but argued that — as he would easily find a new job — he was bound to "mitigate his own loss".

Mr Clark, 55, of South Kensington, is claiming he would not find it easy to obtain a similar post. It is the first time a former chief executive has taken a pay-off issue to court.

His counsel, Brian Langstaff QC, told Mr Justice Timothy Walker that BET had said it offered Mr Clark the same "fair" terms as other former BET directors, all of whom had accepted.

Mr Langstaff said Mr Clark was headhunted by BET in November, 1991. It was regarded as being in a bad way and potentially loss-making. Mr Clark succeeded in turning round BET. Profits increased by 52 per cent and 32 per cent in the last two financial years before he was sacked.

Mr Langstaff said that, despite the urging of BET board members, Rentokil's nominees on the board insisted that Mr Clark should be dismissed or asked to resign immediately.

Supplied by Natwest Bank (excluding Indian rupee and Israeli sheqal).

A CABLE & WIRELESS COMPANY

**TODAY, BT CUT THEIR PRICES BY UP TO 25%. AND WE'LL STILL BE UP TO 48% CHEAPER.**

Harrods! Champagne! BT lop 25% off their prices. But with our GlobalLink package for businesses, we're still 48% cheaper for a 3 minute call to the States during weekday working hours. Harrods! Vintage Bollinger! For details FreeCall 0500 800 125.

**MERCURY COMMUNICATIONS**

It doesn't cost anything to talk  
**FreeCall 0500 800125**

Prices and savings compared against BT's basic rate. Rates in force, weekdays. Calls are subject to a minimum 30 second charge. GlobalLink package available for a subscription fee of £1.50 per quarter. All prices quoted ex. VAT.

Emily Sheffield

Outlook/A great engineering feat has proved to be a financial disaster, says Patrick Donovan

# Shareholders pay price of Channel's £9bn black hole

**H**UNDREDS of thousands of small shareholders paid 350p a share when they bought into Eurotunnel nearly ten years ago. Last week they saw their shares suspended at 115p while banks attempted to stitch up yet another deal on the project's huge debt.

Today the share price could fall into a black hole as Eurotunnel is restructured after the latest attempt to restructure it into a commercially viable company. Punters would be right to be angry about yesterday's agreement to reshape Eurotunnel as this will see the value of their shares diluted by up to 80 per cent. Small investors have been sold short by the consortium of 220 banks which for nearly 12 months has been trying to think up ways of helping Eurotunnel resume interest payments on the not inconsiderable sum of £9.1 billion.

But they should think carefully before they attempt to overturn this proposal when it is put to the vote — even though small punters are, probably uniquely, in a position to call the shots as they control more than 70 per cent of the shares.

First, there is a straight debt-for-equity swap of £1 billion worth of debt. Secondly, they have concocted a package of financial instruments which will wipe out a further £4.7 billion — saving the overall £4 billion at a level which can theoretically be serviced through passenger traffic revenue. And thirdly, there are prefer-

ential interest rate caps on investment costs. Hence, bankers claim, Eurotunnel has been metamorphosed into a commercially viable company.

There are pie-in-the-sky promises to pay dividends at a later date. And shareholders will have to decide whether to stump up 150p for a huge warrant issue which falls due in six years' time. If they take up their maximum allotment, investors will still retain overall control. Failure will see overall ownership fall into the hands of the banks which will then speak for just under 80 per cent of all shares. And there is still no news about whether Eurotunnel is to be granted an extension on its lease which falls due on 2052.

For the moment, however, catastrophe has been averted whatever the future uncertainties. Whether they like it or not, Eurotunnel has been bailed out by its own shareholders. Already investor groups are pledging to overturn what they perceive as a wholly inequitable deal.

Just how the markets view this switch-up will be seen in the share price. But shareholders would seem to have no immediate alternative if they want to see the shares continue as a quoted investment.

Eurotunnel must be the century's most remarkable feat of civil engineering. But in purely financial terms, this enormous black hole across the English Channel should never have been built.



Patrick Ponsolle



Eurotunnel's French president, Patrick Ponsolle, announcing the deal yesterday

News in brief

## TI buys Forsheda for £189m

TI, THE engineering and aerospace equipment group, is to pay £189 million for Forsheda, a Swedish ceiling systems and industrial products manufacturer. The deal doubles the size of TI's polymer technology operation and will create a £300 million business. It brings TI's acquisition spending to over £240 million this year. The Agora Group, which controls around 64 per cent of Forsheda, has agreed to back the bid. Forsheda, which has 1,250 employees in 13 countries, is well known in the pipes industry for high technology polymer sealing products. TI shares closed up 17p at 571 1/2p. — *David Smith*

## Lloyd's deal with Arizona

LLOYD'S of London said last night that its £3.2 billion settlement of Names' claims had been accepted by Arizona — the last US state to put its name to the agreement. "This marks an end to our differences with US securities regulators," said Peter Lane, Lloyd's managing director for North America. All 2,900 US-based Names are now covered by state agreements. — *Dominic Walsh*

## Labour challenge to BE

BRITISH Energy was last night challenged by Labour to recover firm dividends from assets made during this summer's privatisation as the City braced itself for the company to unveil some 1,500 job cuts, perhaps as early as today. Labour's energy spokesman, John Battle, said the cuts could threaten output from BE's eight reactors and jeopardise dividend pledges made in the sell-off prospectus. The prospectus warned that dividends could be cut if station output or wholesale electricity prices fell. — *Simon Stace*

## Moss Bros profits hold

MOSS Bros group has maintained its profit margins despite what finance director Terry Donovan called a "quite fierce" competitive retail market. Announcing a jump in profits of 54 per cent to £4.94 million for the first half, Mr Donovan said: "We have not sacrificed our margins in getting a same-store sales rise of 34 per cent in the first half." — *Tony May*

## Luxury car sales soar

SALES of Rolls-Royce and Bentley luxury cars have shot up by 15 per cent in the year so far. Vickers, the defence and engineering group which produces the luxury cars, said it had sold 1,228 vehicles in the nine months to the end of September, compared with 1,062 in the same period last year. "There was particularly strong growth in the UK, where Vickers sold 555 cars against 482 last year, and in the US. — *Simon Stace*

## New group md at Chrysalis

THE Chrysalis media group has appointed Philip McDonnell as group managing director in the wake of the resignations last month of two non-executive directors, Viscount Cleeve, a City banker, and Sir David Puttnam, the film producer. Both non-executives complained about not being kept adequately informed about significant developments, including the decision to close the film division, and the failure to appoint a "heavyweight" chief executive. — *Tony May*

# Nissan UK's £59m tax deal fails to clear Botnar

Ian King

**O**CTAV Botnar, the former head of car distributor Nissan UK, faces the prospect of being arrested if he returns to Britain despite his company's payment yesterday of £59 million to settle an Inland Revenue tax claim.

Mr Botnar, who has been living in Switzerland since 1981, still faces an estimated personal tax bill of around £26 million, which the Revenue intends to pursue, and an arrest warrant issued five years ago remains in force.

Last night, after confirmation that all tax claims against Nissan UK had been dropped, Mr Botnar launched an extraordinary attack on the Revenue, accusing it of "terror tactics" and claiming he would not get justice in Britain.

He said: "The tactics often employed by the Revenue in England bear a striking similarity to those of the terror police in former communist countries of which I have had first hand experience."

Earlier, a five-minute meeting at the Revenue's special commissioners' offices in London heard that the Revenue had received a £59 million payment over the weekend, settling all tax claims against Nissan UK.

After the meeting a Revenue spokesman said: "The dispute between the Inland Revenue and Nissan UK has been resolved, and all civil proceedings between the two parties have been discontinued."

But despite the payment, one of the biggest out-of-court tax settlements ever made in Britain, the Revenue insisted that Mr Botnar, who will be 83 later this month, would still be arrested if he returned

to Britain. However, in a statement issued last night, Mr Botnar said Nissan UK had not "owed a penny" to the Revenue.

Insisting he had made a payment to avoid "another five years of frustration, litigation and enormous legal expenditure", Mr Botnar said the small size of the payment, in comparison with the

## Botnar chronology

1971: Botnar establishes Nissan UK in agreement with Nissan.  
1973: Nissan/Datsun sales account for two-thirds of Japanese car sales in UK.  
1978: Nissan sales in UK top 100,000 for first time.  
1980: Botnar asks Nissan to build UK manufacturing premises.  
1984: Nissan UK manufacturing plant starts production at Sunderland.  
1991: Nissan accuses Botnar of breaching terms of contract, announces new UK car distributor network; Botnar loses High Court case and appeal against Nissan.  
June 1991: Inland Revenue seizes Nissan UK's offices.  
November 1991: Botnar says Nissan UK will be wound down, leaves for Switzerland.  
January 1992: Inland Revenue secures arrest warrant against Botnar.  
May 1992: Two Nissan UK executives sent for trial.  
March 1993: Nissan ordered to pay Nissan UK £7 million by High Court.  
June 1993: Michael Hunt, former Nissan UK managing director, and Frank Shannon, former finance director, jailed for fraud.  
November 1993: Revenue applies for winding-up order on Nissan UK, liquidators appointed.  
October 1996: Nissan UK settles with Inland Revenue.

£270 million the Revenue had said it was owed, showed the Revenue's claim had been "spurious".

The Revenue's spokesman said: "He can put his views forward if he wants to, but it's not for us to comment."

An arrest warrant was granted, and that remains outstanding.

The payment is the latest twist in one of the most colourful corporate sagas of the last decade. Mr Botnar, a Romanian businessman who had formerly headed the NSU car group, signed an agreement in 1971 with Nissan Motor Company of Japan to set up a car dealership under the name Datsun UK.

By the end of the 1970s the renamed Nissan UK was selling six out of every 10 Japanese cars sold in Britain and Mr Botnar suggested Nissan Motor Co establish a manufacturing presence in the UK as a means of penetrating other European markets.

By then Mr Botnar had left Nissan Motor Co and in 1986 the first car rolled off the company's new production line in Sunderland, with the Japanese company paying warm tribute to Mr Botnar.

But in 1991, the Inland Revenue made a dawn raid on Nissan UK's office and Mr Botnar's home as part of an investigation — Operation Bluebird — into alleged tax evasion and Nissan Motor Co withdrew Mr Botnar's import and distribution licence.

# Dixons veteran to lead battle to revive Owen & Robinson

Roger Cowe

**D**IXONS' veteran Egon von Greverz yesterday became the latest to take on the challenge of restoring to health Owen & Robinson, which owns the Football sports shoe chain and which issued a profit warning yesterday.

He has replaced Maurice Dwek as chairman of the company, which has struggled through the collapse of its jewellery business and a lengthy share suspension while administrators salvaged the rest of the business.

Mr Dwek has left to concentrate on his other business interests as the company warned that profits would not meet the City's expectations. He was appointed chairman for the second time in February after a financial restructuring which wiped out debts and left the company in a position to expand again.

The restructuring and the appointment of a new management team led by Mr Dwek allowed the company's shares to begin trading again after a seven-month suspension.

Mr Dwek, who owned 16 per cent of the company, had previously been chairman until 1992.

Former Amber Day boss Philip Green bought into Owen & Robinson but gave up after a brief spell in control, selling his shares as part of the restructuring earlier this year.

Mr von Greverz was with Dixons from 1972 to 1989. He said he would be conducting a thorough review of the Foothold operations.

The company has made losses for each of the past five years.

# Calor's bottled genie emerges at £250m

Tony May

**T**HE Calor Gas bottled and bulk gas supplier has agreed to a £250 million bid from its controlling shareholder, SHV, a privately-held Dutch food and energy company.

Calor shares rose 3 per cent to 300p, the level at which SHV is offering to buy the 48.6 per cent of the group it

does not already own. The rise took Calor shares, which have risen 10 per cent in the past week, to a two-year high.

The Calor board, whose independent directors are recommending the bidding terms, said they would include a special dividend of 40p a share to be paid by Calor, and investors would also be entitled to a regular dividend of 8p a share, scheduled to be paid on November 8.

The bid by SHV, which took control of Calor in 1988, was well received by analysts, although eyebrows were raised over the timing.

"The question is, why didn't they do it four or five years ago?" said Irene Edmonds at Societe Generale Strauss Turnbull. But she said the 300 pence per share now offered, compared with 200p then, was a "very reasonable price".

Bruce Evers, at Henderson Crosthwaite, speculated that SHV could have been spurred into action by frustration with the Calor management.

He said: "Despite the recent restructuring moves, the group has gone nowhere in recent years." Calor has suffered from its reliance on the weather-sensitive UK market, and began restructuring its British operations earlier this year.

and you assumed... were all no take and give"

Assume nothing — but expect some pleasant surprises! A monthly American Express statement not only tells you what you've spent, but also carries special offers your spending has earned — things like savings at exclusive hotels, or a free bottle of wine with your meal at a local restaurant, or even 15% off your next raincoat. There are literally hundreds of offers available each month. We only select the ones most suited to you, and print them right on the statement. So every month, you could be getting something special from us, simply by spending on the Card.

To find out how we can help you do more call: **0800 700767**

**TODAY, BT CUT THEIR BUSINESS PRICES. TO SAVE EVEN MORE, CALL US.**

Today you can save up to 25% on international calls with BT. Or up to 48% with Mercury's GlobalLink package for businesses. Yes, we're still 48% cheaper for a 3 minute call to the States during weekday working hours. Shouldn't you find out more? It doesn't cost anything to talk. FreeCall 0500 800125.

**MERCURY COMMUNICATIONS**

It doesn't cost anything to talk FreeCall 0500 800125

Prices and savings compared against BT's basic rate, from 10pm, weekdays. Calls are subject to a minimum charge of 4.5p. GlobalLink savings are available for a subscription fee of £7.50 per quarter. All prices quoted in VAT.

**COMPETITION IS GREAT FOR BUSINESS. SO COME ON BT, BE A BIT MORE COMPETITIVE.**

It seems BT are pulling their punches. OK, they're cutting prices today. But Mercury will still be substantially cheaper. For details, FreeCall 0500 800125.

**MERCURY COMMUNICATIONS**

It doesn't cost anything to talk FreeCall 0500 800125

Prices and savings compared against BT's basic rate, from 10pm, weekdays. Calls are subject to a minimum charge of 4.5p. GlobalLink savings are available for a subscription fee of £7.50 per quarter. All prices quoted in VAT.

**AMERICAN EXPRESS CARDS**

AMERICAN EXPRESS SERVICES EUROPE LIMITED, Reg. Office, Portland House, 1 Stag Place, London SW1E 5RB, Reg. No. 1833139.

Handwritten note: 0500 800125



Soccer

Hodde relies on Pearce to keep clear of trouble

David Lacey on the coach's faith in the England defender who decided to play on

GLENN HODDE believes that, with referees clamping down on tackles from behind, defenders will need to learn new techniques. Why, therefore, has the England coach persuaded the 34-year-old Stuart Pearce to come out of international retirement?

Pearce had decided in April that his England career was virtually over. The disappointment of losing a second major semi-final to Germany on penalties, even though he did not miss this time, was merely incidental to the way he was thinking.

"I thought it was the right time to bow out," he explained yesterday, "but then Glenn said that, if you were playing well enough, age didn't matter, so I changed my mind."

Hodde reckoned Pearce was set on jumping before he was pushed and had little difficulty persuading the defender that there would be a place for him in the new England set-up.

"People used to get away with a lot, especially in the first 10 minutes of a game," the England coach reflected. "Football suffered, not just myself. Now the stricter way the laws are being applied has taken man-to-man marking out of the game. The days of Gentile are over."

Hodde is well aware of the dangers, as well as the benefits, that giving skilled players greater freedom may pose. "I talk about working on techniques with the ball but we've got to find a new technique of how to tackle. I don't think the referees are going to change, so it's up to us."

Yellow cards are another problem. "Players must think about the areas in which they might get booked," said Hodde. "There are a lot of bookings near the halfway line when there is no threat to goal."

Paul Ince, like Pearce, was cautioned in Moldova, again for a needless foul. Ince was one of Graham Taylor's "headless chickens" when England forced a 1-1 draw in Poland, a game that ended before their ignominious defeat in Norway. A booking in Katowice ruled Ince out of the Oslo game but Hodde reckons that playing for Internazionale has given the midfielder better judgment.

"He now appreciates when to tackle and when to stand off," the coach observed. "Certainly both Ince and Pearce need to watch their challenges tomorrow, for Hodde will need them against Georgia in Tbilisi in a month."



Thank God you're here... Francis Lee gets his man at last as Steve Coppell arrives to take over as manager at Maine Road. PHOTOGRAPH: DAVID DAVES

Coppell saves Lee further farce

Ian Ross on Manchester City's relief as they finally find themselves a manager

MANCHESTER City's embarrassing search for a manager finally ended yesterday with the appointment of Steve Coppell, who is still revered across the tracks at Old Trafford for his exploits with United.

Six weeks after Alan Ball resigned, Coppell boldly agreed to where so many others have feared to tread. After more than a week of negotiations and soul-searching the former England international winger decided to stand down as Crystal Palace's director of football and accept what some believe is one of the least desirable jobs in football.

that he was seriously considering assuming control of first-team affairs himself. Coppell's desire to move back into the spotlight saved the chairman from that.

"There is a terrific challenge ahead for me," said Coppell. "I honestly believe it is only a matter of time before this club is back in the Premiership where it belongs. I am not bothered that other people did not want to take this job, and the fact that I played for Manchester United is also irrelevant."

Lee's increasingly desperate search for a replacement for Ball has at best been comical and at worst farcical. Among those who found their way on to his ever-changing shortlist were George Graham, Howard Kendall, Kenny Dalglish, Bruce Riech and Brian Kidd. Before yesterday the closest Lee came to penning the final chapter of a tawdry saga was last month

when Coppell's Palace colleague Dave Bassett came within an ace of picking up the reins.

Coppell, who signed a faxed working contract on Sunday afternoon after he had agreed the terms of a three-year contract, said: "I don't know if I can get City back into the Premiership this season but I do think the club is capable of bouncing straight back."

At a conservative estimate Coppell has joined a club with debts of £20 million, yet he has apparently been promised a sizeable sum to help rejuvenate a side who, by general consensus, lack depth, quality and self-belief. He may, however, be required to sell if he wishes to make sweeping changes.

Coppell began his playing career at Tranmere Rovers before joining Manchester United in 1973. He made almost 400 senior appearances for United, winning 42 England caps.

After his career was cut short by a serious knee injury he became the youngest League manager in the country at the age of 28 when he took over at Palace. He guided them to promotion to the old First Division in 1989 and took them to the 1990 FA Cup final where, coincidentally, they were beaten by Manchester United.

Coppell was a member of the three-man Premier League investigating panel into the foreign-player "bung" scandal and returned to Palace as director of football in June last year after standing down as the first full-time chief executive of the Football League Managers' Association.

Spencer loses struggle to face Estonians

Patrick Glenn in Tallinn

JOHN SPENCER looks certain to become the sixth player to withdraw from the Scotland squad for tomorrow's World Cup qualifier against Estonia. But the good news for Scotland's manager Craig Brown is that Stuart McCall's hamstring injury should not prevent him from playing.

a second yellow card in the 2-0 win against Latvia. "But he is also injured," said Brown, "otherwise he would have stayed with us. Gary is a terrific dressing-room and training-field influence and we would have liked him here, but it was best that he return for his treatment."

"Coventry have a televised match with Southampton on Sunday and it is important that his club have the chance to get him ready for that. We called Coventry and spoke to Gordon Strachan, who agreed it would be better if Gary came home."

Estonia won a competitive match for the first time in their history at the weekend when they beat Belarus 1-0 in a Group Four tie here. They were watched by Frank Coulston, one of Brown's staff coaches at the SFA.

open play. But they are disciplined and determined and that can be awkward." Brown insists that he will play a three-man attack, a clear pointer to his expectation of spending most of the night in the home half of the field. With Spencer a likely absentee, John McGilver of Bolton seems likely to win his 10th cap.

"We have to juggle a little," said Brown, who conceded that the injury problems with this squad have been the worst in his time. "The players are responding well to the setback; those who have come in have done a good job."

"But we can't just sit back and expect that. The victory in Latvia has lifted everybody and there is optimism but we still have to make things happen for ourselves."



Poole... fair hearing

Pooler banned for two more games

Peter White

THE Birmingham City full-back Gary Poole was last night handed a further two-match suspension and a fine of £1,000 as punishment for his push on the Huddersfield referee Richard Poulain.

Poole, aged 29, appeared before an FA disciplinary committee at Lancaster Gate to answer charges that followed the incident during the First Division game against Manchester City at Maine Road. The FA imposed an immediate ban on Poole after they received Mr Poulain's report. The player has already missed the Coca-Cola Cup defeat by Coventry City and the goalless draw at home to Queens Park Rangers in the league.

Birmingham's manager Trevor Francis said last night: "There had been talk beforehand that Gary might receive a sentence of anything between six weeks and three months, but we had a very fair hearing and we can have no complaints. The player has got to learn from this and then get on with his game."

Birmingham visit Huddersfield tonight in a First Division game with Francis demanding a more hungry and positive approach. His team have not scored in their last three games, and he commented: "We have become difficult to beat because we are defending well, but we have not got the points I would have hoped for so far because we are not scoring enough goals."

Lowly Bosnia seek to banish demons and look to future

Julian Borger in Zagreb on the build-up to tonight's first meeting of two countries at war with each other three years ago

A TRUE Balkan morality tale will be spun out in Bologna tonight when Bosnia, still shell-shocked from the war, take on their more fortunate Yugoslav siblings Croatia in their first meeting as independent states.

The arrival of thousands of Croats in Sarajevo might also have opened old wounds. Bosnian Croats and Muslims fought a vicious 10-month war in 1993. They restored their alliance immediately afterwards but the red-and-white Croat chequer-board symbol is still unwelcome in the city.

Only 5,000 supporters are expected to make the journey to Bologna, where the Italian

police have been asked to provide security. "We told them the game has a high percentage of risks," said Drazaludin Musovic, Bosnia's team manager.

On the field Musovic's principal aim is to avoid a rout. Croatia have named much the same squad that reached the Euro 96 quarter-finals, the absentees being the injured Mario Stanic and the suspended Igor Stimac of Derby.

But Croatia have the flair to compensate. Robert Prosinecki will take over from Stanic on the right wing, and they can still count on their prolific striker Davor Suker.

A draw in Bologna would be greeted as a miracle by Bosnia, who were roundly defeated 2-0 by Greece in their first Group One match in Kalamata last month. Their squad has been pieced together from the wreckage left by the collapse of the former Yugoslavia.

Fuad Muzurovic, the team selector, has built around veterans from the pre-war Yugoslav team such as the goalkeeper Fahrudin Omerovic and the midfielder Mehmed Bazdarevic, who play in the Turkish and French leagues respectively.

Pools Forecast

Table with 2 columns: Team names and their predicted results (e.g., 1. Blackburn v Arsenal, 2. Derby v Newcastle, etc.)

THIRD DIVISION

Table with 2 columns: Team names and their predicted results for the Third Division (e.g., 27 Brighton v Cambridge, 28 Cardiff v Barnet, etc.)

Bloom quits troubled Brighton

STORM waves continued to break over Brighton and Hove Albion with the departure yesterday of the director Ray Bloom. After 12 years on the board, Bloom said he was leaving because of differences with the chairman Bill Archer over the breakdown of talks with the consortium trying to take over the club, currently bottom of the Third Division.

Champions League places rest with United

ENGLAND could have three clubs in next season's Champions League if Manchester United win this season's competition. UEFA have clarified guidelines governing the 1997-98 tournament which would allow three representatives from one country to take part. However, for a trio of English teams to be involved United would have to lift the Champions League trophy in May and finish outside the top two in the Premiership. They would then qualify as reigning champions along with the winners and runners-up in the Premiership.

Stewart reprieve after referee admits mistake

THE referee Paul Danson has admitted he was wrong to send off Sunderland's Paul Stewart in the game against Arsenal at Highbury a week last Saturday. The striker will now escape a one-match suspension.

Goals needed to be coming from everyone

Meanwhile, Birmingham's owner David Sullivan backed down on his threat to quit the club, at least for the time being. He had threatened to leave after his managing director Karren Brady was committed to the Crown Court to face charges brought by the local council under the Consumer Protection Act. Last night, however, he said that he and his fellow directors would stay pending the outcome of the trial, which is due to take place next month.

Stewart reprieve after referee admits mistake

Danson, who had earlier sent off the Sunderland defender Martin Scott for two bookable fouls, agreed to review the evidence of Stewart's dismissal, at a weekend referees' seminar with the FA and the League Managers' Association.

Stewart reprieve after referee admits mistake

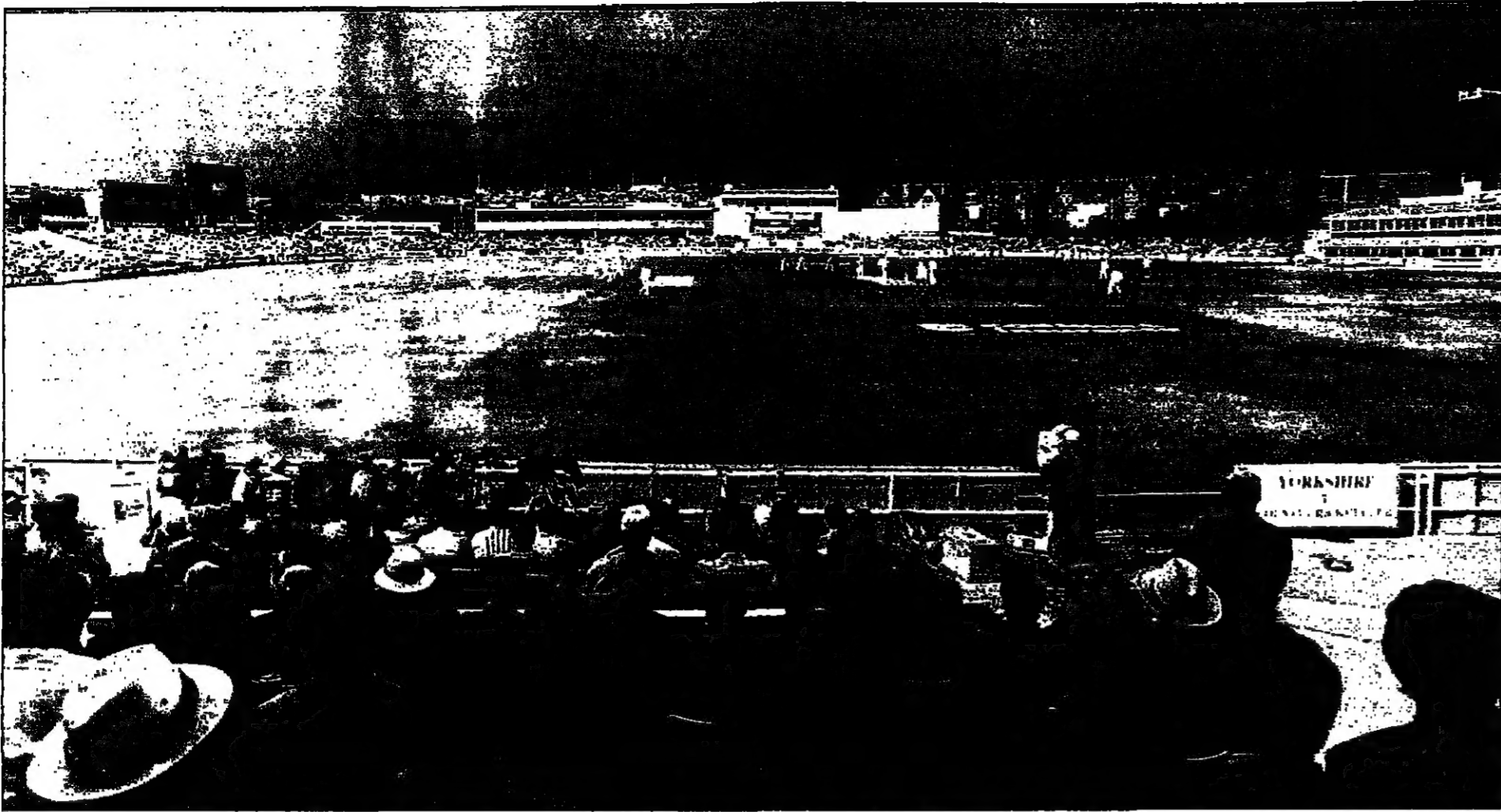
Stewart, who had already been booked for hand-ball, repeated the offence but claimed it was because he was fouled by Steve Bould. Danson said: "It was a genuine misinterpretation on my part." And he has asked the FA to delete the second yellow card against Stewart from their records, although the first one will still count for two disciplinary points.

Large vertical advertisement on the right side of the page. It features the text 'English say no Wallabi' at the top, 'European Cup Saracens' in the middle, and 'Football' and 'ins reins' at the bottom. There are also some smaller, less legible text elements and graphics.



# Sports Guardian

## WAKEFIELD TO BE HOME FOR £32 MILLION STADIUM



Goodbye to all this... Headingley will stage an Ashes match next summer but a new northern rival to Lord's will host Tests in the next century

PHOTOGRAPH: TOM JENKINS

## Yorkshire bid Headingley farewell

David Hopps says White Rose county's vote to break new ground will be acclaimed

YORKSHIRE have committed themselves to abandoning more than a century's tradition at Headingley and moving to a green-field site near Wakefield. The unanimous vote by the county's general committee, which is sure to be widely acclaimed throughout the county, could lead to the completion of an impressive northern rival to Lord's by the end of the decade.

Headingley's survival as a multi-sports venue was in question even before yesterday's announcement. Leeds Cricket, Football and Athletic Company, the owner of the ground itself and of Leeds Rugby League Club, is already deep in takeover negotiations which could see Leeds rugby league move to Elland Road, home of Leeds United.

shire's president, insisted yesterday: "You have to have a sense of optimism. More cricket is played in Yorkshire than in Australia, and the new ground would have a catchment area of nine million people. The committee anticipates that 90 per cent of the membership will support our plans."

Wakefield's city council has promised Yorkshire that they will not have to invest a penny in a development estimated at £50 million, of which the White Rose Stadium would be the centrepiece. The proposed funding package envisages a grant of £28 million, European grants worth almost £7 million (Wakefield is a European regeneration area), and £15 million from public- and private-sector investment.

Yorkshire would own a complex which would include its own railway station as well as a marina to offset the risk of flooding. Plans also include a cricket museum, hotel and catering facilities and, with the Lottery in mind, a large emphasis on community use with facilities for hockey, bowls, tennis and soccer. The Park Avenue Academy, responsible for producing the county's best crop of young players for 30 years, would also move to the 240-acre site alongside Junction 39 of the M1.

Yorkshire's pride has been severely mauled over the past 35 years as a decaying ground which housed Test matches persistently afflicted by racist overtones, and until the past few years a once-proud county has seemed in terminal decline. This has caused much diversion for many, but almost a quarter of active cricket in England is staged in the county, and a strong Yorkshire really would answer England's need.

## Hill's chance to dispel the shadow

Richard Williams on the point that could put the world champion's leader among a very select band

AT MONZA she wore a crisp white jacket on race day, looking every inch a world champion's wife. But it wasn't to be, not that Sunday. In Estoril two weeks later she was in denim, as if to acknowledge the perils of hubris.

claims are more fragile. Mike Hawthorn, Phil Hill, James Hunt and Keke Rosberg: Hawthorn, the first British world champion, took the title in 1958, which should have been Moss's year. Phil Hill's title came as a result of another man's death. Hunt came down as quickly as he went up. Rosberg, like Hawthorn, won only one race in his championship season.

## Headingley highs

- 1888. Lot 17a, a part of Cardigan fields, is sold to the Leeds Cricket, Football and Athletic Company.
- 1890. Yorkshire CCC first play at Headingley.
- 1903. Yorkshire move their HQ from Sheffield.
- 1930. Don Bradman hits 334 (309 on first day) in Ashes Test.
- 1932. Fire on Good Friday destroys main stand.
- 1934. Bradman hits 304.
- 1961. Fred Trueman twice bowls out Australians on a

pitch described by Ray Lindwall as "fit only for beach cricket".

THIS is a complex matter, with its roots in the fact that the son's view of the father was rather different from that given to the rest of us. It is the reason that Hill is ill at ease in the public eye, and suspicious of success.

YOU'VE BEEN PUT IN CONTROL. NOW IT'S TIME TO TAKE CHARGE.

THE SENIOR MANAGEMENT PROGRAMME



HENLEY Management College

## Gazza's coming back for more

David Lacey hears the England's coach speak up for Paul Gascoigne and predict that he has plenty left in the tank

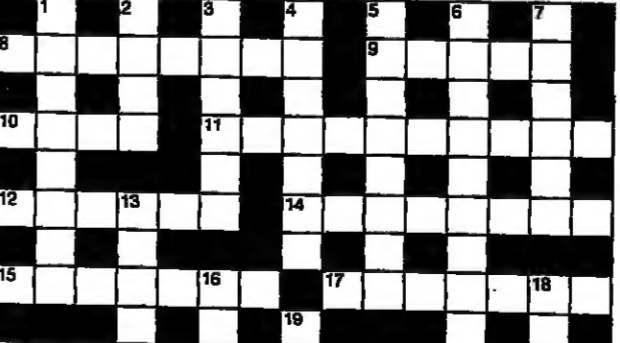
GLENN HODDLE believes that Paul Gascoigne can continue to play top-class football until he is 35. This will be of considerable relief to those who, after watching last night's hour-long study of Gascoigne on Channel 4's Cutting Edge, might have doubts about the likelihood of his being able to do anything very much six years from now.

drinking." Hoddle said yesterday, "but I'm not interested in that."

around any more. He's leaner, fitter and producing outstanding football for Rangers.

## Guardian Crossword No 20,778

Set by Paul



- Across
- 9,8 He fought for macaroni? (5,8)
- 10,24dn Bucket of skin and feathers (4,4)
- 11 One who wakes with vitality after time flies (7,3)
- 12,22dn A couple of tags come to the show (4,2,4,2)
- 14 A disorderly state is the York way (8)
- 15 Get carried into explosive missile (7)
- 17 The Queen in her ancestors' museum portico (7)
- 20 Charon and Mary cavorting in the bracken (8)
- 22 Maybe writing on a plate depicts salad vegetable (8)
- 23 Herzl's oral translation may be sharp in the main? (5-5)
- 24 Where to go in cross over (4)

- Down
- 1 One attending course, 'The Common People on the Reported State of India' (8)
- 2 Short head and short, short tall (4)
- 3 Computer suitable to be put in dock (8)
- 4 Outstanding musician of note Solti produced (7)
- 5 Grand giving for the nation (8)
- 6 Marks evident upon this cad - sober, or drunk? (10)
- 7 The mark of a journalist in touch over this (2-4)
- 13 The German in heels, no fancy German outfit (10)

CROSSWORD SOLUTION 20,778

- 16 Masquerading, Nemesis is not a.k.a. Nemesis? (8)
- 18 Find and record deliveries (8)
- 19 How lines may appear the other way? (7)
- 21 Pass by in time whilst not sound asleep (5)
- 22 See 10
- 24 see 12

When it comes to their emotional health, many men prefer avoidance strategies. They're three times more likely than women to try and sweat off a problem with sport or some other activity, says BMCA President Andrew Marshall. Peter Baker on the parlous state of the British male

G2 page 8

Handwritten note: JPL's 10/1/96

Wednesday October 9 1996

Tyran in Kal

Labour a

This

Ashdown a

age public

inside

British